

THE *Nation*

November 20, 1937

Fear Hits the New Deal

BY MAX LERNER

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What Ruined the Railroads?

BY ELIOT JANEWAY

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Fascism's Debt to Paris - - - - - Robert Dell

The Camera Reconnoiters - - - - - Ben Belitt

British Labor Comes to Life - - - - Harold J. Laski

Stanley High on Roosevelt - - - - Norman Thomas

Traditions for Young People - - Constance Rourke

Children's Book List - - - - - Lena Barksdale

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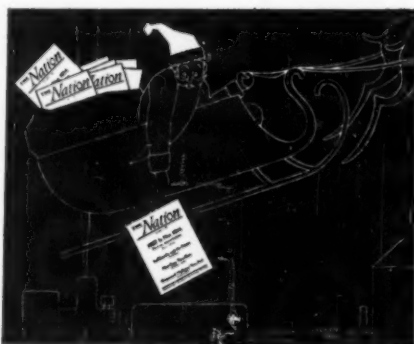
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THE *Nation*

VOLUME 145

NEW YORK • SATURDAY • NOVEMBER 20, 1937

NUMBER 21

CONTENTS

THE SHAPE OF THINGS

EDITORIALS:

BLACKMAIL IN THE MEDITERRANEAN	548
BRAZIL'S DICTATORSHIP	548
MR. KENNEDY REPORTS	549
FEAR HITS THE NEW DEAL By Max Lerner	551
FASCISM'S DEBT TO FRANCE By Robert Dell	552
WHAT RUINED THE RAILROADS? By Eliot Janeway	555
THE CAMERA RECONNOITERS By Ben Belitt	557
BRITISH LABOR COMES TO LIFE By Harold J. Laski	559
ISSUES AND MEN By Oswald Garrison Villard	561
BOOKS AND THE ARTS:	
TRADITIONS FOR YOUNG PEOPLE By Constance Rourke	562
LOWDOWN BY MR. HIGH By Norman Thomas	564
BROADWAY, NOT NEW YORK By Louis Kronenberger	565
EDUCATION BY RADIO By Donald Slesinger	566
FILMS: BEFORE 1917 By Mark Van Doren	566
DRAMA: GETTING THE BEST OF SHAKESPEARE By Joseph Wood Krutch	567
CHILDREN'S BOOKS: A SELECTED LIST By Lena Barksdale	569
DRAWINGS By John Groth and LOW	

The Shape of Things

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MR. ROOSEVELT'S MESSAGE TO CONGRESS, despite its gestures of abiding belief in "a wide social program," marks unmistakably a step toward the right. It is not so much that the President asks for the good-will of business and promises tax revision; nor is it merely that his message, while considering four of the five major tasks outlined in his original call for a special session, omits the fifth—a legislative attempt to cope with the monopoly evil. The important thing is that the whole morale of the New Deal has changed. A year ago Mr. Roosevelt had "only just begun to fight." Today it is as if he had changed the slogan to "we are not yet ready to fight—the time is not propitious for fighting." This may be good political strategy, but it is not social statesmanship. The strategy is clear. The President has found that he is in a position to push his program in one of two situations—either on a tide of returning prosperity or in the midst of a panic depression. In 1933 he succeeded in launching the first New Deal because business was turning to the government for supreme unction. In 1936 he moved ahead with a second New Deal because of the popular support that came with returning prosperity. Today he is caught between these situations; he is in danger of losing his popular support because of the business recession, and he is confronted also by the bitter hostility of business, a section of which welcomes the slump because it discredits the President.

★

IT IS NATURAL FOR THE PRESIDENT TO EASE up on business, to promise tax revision and budget balancing, to make peace with the utilities and clear out once more the passageway that leads from Wall Street to Washington. His probable logic is clear. If business responds with more capital investment and employment, the recession can be arrested and the New Deal continue where it left off. If it does not and the recession becomes a real depression, business leadership will once more have proved its bankruptcy, the President can step in where business has failed, and then go on with a much more drastic government program. One of the business news letters reports this week that if the present policy of giving business the helm should fail to produce results in time, the only thing for Mr. Roosevelt to do will be to nationalize the utilities, railroads, and insurance companies. The news letter gives no source for its statement, which must be taken only as a guess. It is a guess that

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has some political logic behind it. But it is dangerous logic. If it is part of Mr. Roosevelt's plan, it is too clever. When a real depression comes upon us, the Administration may be discredited along with Wall Street, and the political field may become a happy hunting ground for fascist adventurers. It is the President's task, and the task of Congress as well, to treat the New Deal not only as a fair-weather companion but as an honest, continuing effort to remedy the inadequacies of private capitalism.

★

ALTHOUGH THE DEFEAT OF THE CHINESE at Shanghai is the most serious yet encountered in the war, its ultimate effect may not be wholly unfavorable. As long as the deadlock continued at Shanghai, there was a real danger that Nanking might be persuaded to agree to a "special arrangement" in North China in return for Japanese withdrawal from the Shanghai area. The sudden collapse of the Shanghai front seems to have whetted Japan's appetite to a point where it will be satisfied only by the capture of Nanking and the complete elimination of Chiang Kai-shek. Thus China may be forced, even against the will of some of its leaders, to adopt the one kind of tactics that should bring victory. China's chance of ultimate success has never rested on the possibility of defeating Japan in a struggle between massed troops but on the hope of extending the enemy lines until they become vulnerable to attacks by mobile guerrilla bands. This strategy assumes that China is economically in a better position for a long-drawn-out struggle than Japan, and that the Tokyo government cannot indefinitely support an expeditionary force of nearly a million men. While it is difficult to get accurate information about the guerrilla activities of the Eighth Route Army, official statements from Nanking indicate that former Red Army units control the whole of northeastern Shansi, together with parts of Hopei and Chahar. Since these positions are well in the rear of the main Japanese army operating on the borders of Suiyuan, they would become particularly important in case of a Japanese clash with the well-equipped troops from Outer Mongolia.

★

IN CONDEMNING JAPANESE AGGRESSION IN China, however mildly, the Brussels conference has gone farther than seemed possible in its early days. But passing judgment on the conflict was not the task for which the conference was assembled. The League Assembly and its Far Eastern Committee, with the assent of the United States, had already denounced Japan as a violator of the Nine-Power Treaty. The job before the conference was to discover some method of ending the war on terms consistent with that treaty. To date China has been the only country to submit a program for achieving this objective, and its proposals have been politely ignored. Sanctions against Japan appear to be out of the question, presumably because of the pressure of business interests within the democracies. There is still behind-the-scenes discussion, however, of the possibility of aiding China by credits and the shipment of supplies. As we have

pointed out repeatedly in these columns, economic assistance to the victim of aggression is in many ways preferable to penalties against the aggressor. It is a positive concept; it has the advantage of not running counter to vested economic interests; and it is a clear-cut expression of international solidarity. While economic assistance by one country might create a danger of war, collective action of this type would preclude the possibility of retaliation. The main obstacle to such international assistance at the present moment is the American Neutrality Act. In addition to befogging the minds of the members of the organized peace movement of this country, this unfortunate law has come to stand directly in the way of the one type of collective action which might check the threat of worldwide aggression.

★

THE PROGRESS OF THE BOYCOTT AGAINST Japanese goods has been reflected during the past week in a further sharp decline in silk prices. Since the end of July, when the threat of war first began to develop in China, the price of silk in New York has dropped 15 per cent. This decline is not, of course, wholly attributable to the boycott, but it represents an annual loss of upward of \$17,000,000 worth of supplies to the Japanese war machine. Further evidence of the growing international character of the boycott is the action of the Australian and French trade unions in voting a ban on Japanese products. In this country the movement has been taken up by women college students. Strong boycott groups are reported to have been organized among the students of the University of Rochester, as well as at Vassar and Smith. At New York University a dance was staged at which lisle hosiery was a condition of admission. So far, however, women's clubs, church groups, and peace organizations have done very little. The situation was put neatly by a member of the French delegation at the Brussels conference to a correspondent of the *New York Times*: "If the women's clubs, instead of spending money on cables to Norman Davis, would only agree to substitute cashmere and woolen stockings for silk ones in this winter weather and to buy no more silk garments until Japan comes to her senses, Japan would find her aggression profitless."

★

WHILE THE NEW COAL BILL INTRODUCED by the Chamberlain government in Great Britain is not socialistic in the sense that it excludes private profit and control from coal mining, it is a step in that direction. The actual business of mining coal remains in private hands, but the government is to purchase the coal deposits themselves, which have been largely owned by big landowners. Although the price to be paid for these holdings—£66,450,000—is substantial, it is less than half that asked by the owners. The state will thus be in a position to use its power of monopoly ownership to force the mining companies to adopt needed reforms. An effort will be made to reduce the number of coal-mining undertakings and to strengthen measures pro-

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protecting the consumer. The consolidation of ownership should also facilitate the installation of modern machinery and methods, in which England has been notoriously laggard. As is usually the case before experiments in government ownership are initiated under capitalism, the industry was completely on the rocks before it was even suggested that the state intervene. Many of the mines have been worked to the point where they are no longer profitable, and the once great export market for British coal has largely disappeared as the result of the opening of new mines and the development of water power throughout the world. If state ownership of the royalty rights can restore vigor and order in this anarchistic industry, it will be a genuine triumph.

★

THE NATIONAL LABOR RELATIONS BOARD recently ordered the Consolidated Edison Company of New York and six affiliated companies to break their contracts with an A. F. of L. union, the International Brotherhood of Electrical Workers, on the ground that the companies imposed the A. F. of L. union on their employees and discriminated against the C. I. O. affiliate, the United Radio and Electrical Workers of America. The story of how Consolidated Edison "encouraged" its employees to join the I. B. E. W., which offered no objection to playing the role of company union, is a notorious one, and it is apparently spread out fully in the record on which the board's decision was based. But that has not prevented both the A. F. of L. and the Consolidated from screaming "To the courts!" and certainly the order will be seized upon as an issue in the concerted fight to curtail the powers of the board. Meanwhile we refer the public to the report of Elinore M. Herrick on the record of the regional board of which she is director. This board, since its jurisdiction covers a concentrated industrial region, has handled almost 20 per cent of the total number of cases throughout the country. Mrs. Herrick effectively proves that the Labor Board has prevented much industrial strife, that A. F. of L. unions appear to have as much confidence in it as C. I. O. unions, and that many employers are coming to recognize its value. She also discusses cogently the criticism that the board is "pro-labor." Unfortunately the amicable settlements, which are in the majority, seldom qualify as news; Mrs. Herrick's summary of accomplishments is therefore especially timely.

★

WHEN SOMEONE ASKS YOU TO BECOME AN honorary member of an organization, think twice before saying yes. The career of Hugo Black should have amply demonstrated the wisdom of that warning. Now we have President Roosevelt, Chief Justice Hughes, and Herbert Hoover all accepting honorary membership in something called the American Press Society. In reply to a protest by the Newspaper Guild the President quoted an inflated bit of rhetoric from the society's constitution about journalism being "an honorable profession bearing the nature of a public trust," and added that it looked pretty

good to him. Actually the society is by no means as innocent as this sounds. It was organized as a counter-move to the attempts of the Newspaper Guild to unionize newspaper workers. It is, according to its prospectus, against minimum wages and against strikes among journalists—in short, against trade-union tactics. Its prospectus compares what is happening in journalism today to what happened when the surgeons split away from the barbers, "the barbers eventually becoming trade unionists." If we were the Newspaper Publishers' Association, and wanted desperately to stop the guild drive by organizing a counter-force that actually operated as a company union, this is the sort of organization we should encourage. Assuming that Mr. Roosevelt is genuine about wanting to further unionism, he has no business in this society. Assuming that Chief Justice Hughes was ever sincere about the neutrality of the Supreme Court, and that he expects to vote in cases involving the Newspaper Guild, he has no business in the society either. As for Herbert Hoover—well, we'll let the society have him.

Blackmail in the Mediterranean

IN WHAT other period than this present one could a nation openly attempt to undermine the influence and control exercised by another great power and still remain on ostensibly—even ostentatiously—friendly terms with that power? In Iraq, in Hejaz, in Yemen, in Palestine, in Trans-Jordan, in Egypt, the agents of Mussolini are spreading anti-British propaganda, stirring revolt, giving money and even materials of war to local leaders, and sending out from the powerful Bari radio station anti-British speeches in Arabic. Along the French North African coast, in Tunis and Algiers and Morocco, the same process is going on. Britain and France are busy trying to smother the fires of revolt before they get out of control; but they have so far notoriously failed to prevent new blazes from being set. The job seems hopeless, especially when one considers the inflammable material with which the incendiaries work. It needs only a moderate amount of moral and material encouragement from the new "protector of Islam" to turn the legitimate grievances of a dozen Arab countries into open rebellion.

Mussolini has nothing to lose by his systematic anti-British and anti-French maneuvers. If in the end events urge him to an understanding with those powers he will only have created a weapon for shrewder bargaining. On the other hand, if world developments strengthen rather than crack the fascist axis and the showdown finds Mussolini and Hitler and the Japanese, with whatever backing they can get, united against the unhappy Western democracies, Mussolini's efforts in the Near East will bear valuable fruit. Heads or tails, he stands to win.

Just to add the easily available items of fascist activity is to show what Britain and France are up against. In October, Italy and Yemen signed a friendship pact.

After its conquest of Ethiopia, which Ibn Saud might have hindered but did not, Italy gave the ruler of Mecca airplanes and provided training courses for Wahabi pilots. Italians are working in Iran (Persia), and the sole Iranian gunboat in the Gulf of Persia is of Italian make, manned by an Italian-trained crew. The white military establishment of Libya has been raised to 50,000. Mussolini's opportunity for sending agents across the desert frontiers into Egypt, the Sudan, and Tunis is almost unlimited. In fact, his agents have been at work among the discontented Bedouins who some years ago fled from the blessings of Italian rule in Libya to the western Egyptian desert. Late in October the French deported an Italian agent from Tunis, and every news dispatch of the struggle there and in Algiers and French Morocco reports the presence and activities of fascist agents, either Italian or—more ominously—French. Apparently among Mussolini's gifts to Franco has been technical help from the Bari broadcasting staff to the Seville radio station, from which Franco has been encouraging the Arabs of French Morocco in their resistance.

On October 19 two Italians were caught trying to cross the Syrian border into Palestine without passports. The Grand Mufti, ever since his flight from Jerusalem, has been trying to obtain permission to go to Rome. On October 17, the day after the Grand Mufti reached Lebanon, Mussolini's personal newspaper denounced British Palestine policy as a "neo-Herodian horror." After a brief holiday the fascist press has renewed its attacks on Zionism, while the Ethiopian Moslem institutions and Libyan Arab institutions, both under fascist control, have sent anti-British and anti-Zionist messages to the League of Nations. And the president of the Arab National Congress has made the significant announcement that "Britain must change its policy in Palestine or we shall be at liberty to side with other European powers whose policies are adverse to Britain."

The British—and the French in their territories—are meeting this attack by counter-attack against the native populations. But ruthless reprisals have not quieted Arab unrest or stopped fascist activities; they have only added new grievances to old. In Iraq British efforts to stamp out Italian propaganda have failed. The *Week* of London asserts that the murder last summer of Sidki, Iraq chief-of-staff and virtual dictator, was arranged by British agents "on the ground of his Italian sympathies," but that the new Cabinet put into power by the British in the face of military opposition has accomplished nothing: "The army remains entirely under Italian influence, and hence . . . the Cabinet itself." The *Week* reports a near panic in the Colonial Office over the whole Near-Eastern situation. It is feared that at any time Mussolini may denounce the Palestine Mandate, after which Ibn Saud, under Italian protection, is expected to proclaim himself king of all the Arabs, "thus starting a fire that will blaze from Bagdad to Casablanca." This maneuver is supposed to have received Hitler's approval at the time of Ribbentrop's recent visit to Rome.

Events will show whether these sensational assertions

and prophecies are justified in detail. At least they jibe with the known facts, and the facts alone are sufficient to explain panic. Foreign Office tactics are hardly calculated to subdue Colonial Office fears. British foreign policy is now little more than a policy of yielding to blackmail. If Italy's operations around the Mediterranean spread and succeed the price will go higher. Great Britain offers concessions and plays for time, but time actually works against British aims. It permits the progress of British rearmament, to be sure, but it also permits the progress of fascist domination, the piling up of threats and accomplished facts that in the end can hardly be dealt with except by force of arms.

Brazil's Dictatorship

WHILE the action of President Vargas in establishing a corporate state in Brazil is a direct challenge to the peace of the American continent, its significance as a new fascist development has been overemphasized. For practical purposes the Brazilian people have lived under fascism for the past two years. No elections have been held; opposition has been ruthlessly suppressed; and civil rights are non-existent. The few left-wing Americans who have been permitted to visit Brazil in recent months have testified that the terror was stronger and more all-embracing than in Germany or Italy.

Nor is the link to the international fascist front a new one. The growth of German, Italian, and Japanese influence in Brazil in recent years was examined at some length in last week's issue of *The Nation* by Nathaniel Weyl. Last year German trade outstripped that of the United States for the first time. The German colony in Brazil, though numbering only some 500,000 persons, has been extremely active in the Integralist (fascist) movement, and has maintained the closest connections with the Nazi foreign service. When the racial composition of Brazil is taken into consideration, its fascist leanings are scarcely surprising. Excluding some tens of millions of Indian blood, who are virtually devoid of political influence, Brazil's population is made up almost entirely of immigrants or descendants of immigrants from the four leading fascist countries. The bulk of the European population is, of course, of Portuguese descent. Next in numbers though not in influence are the Italians, some million and a half of whom have emigrated to Brazil in the past fifty years. The Germans and the Japanese—the latter nearly 200,000 strong—are more recent immigrants but have maintained much closer ties with the homeland than have the Portuguese or Italians. Brazil also has received some 100,000 Russians, mostly white in their affiliations.

Despite these strong racial links and the admittedly active fascist movement which has been tolerated by the Vargas regime, it would be a mistake to say that Brazil has "gone fascist." There is no evidence that Vargas actually represents the Integralist movement, or even that he has its unqualified support. On the contrary, the

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chances are that in declaring a corporate state he has stolen a great part of their thunder. The primary reason for his action appears to be the necessity of finding a way to perpetuate himself in power, a possibility that was specifically excluded by the old constitution. There may also have been a desire to legitimize the dictatorship by giving it fascist trimmings. Neither Brazil nor any other Latin American country, however, would seem to be fertile ground for fascism in its true economic sense. In none do we find even a partially developed industrial capitalism; the middle class is conspicuous by its almost complete absence; the threat of communism is non-existent except as a political bogey to be applied indiscriminately to all forms of political opposition.

Nevertheless, there is real danger that all the Latin American dictatorships will turn to the Fascist International for intellectual justification for the undemocratic procedures which have been followed for decades. The Latin American countries which are not under a dictatorship of one type or another, chiefly military, may be counted on the fingers of one hand. They include Colombia, Costa Rica, Panama, Argentina, and possibly Chile. In contrast, in at least a dozen there is not even a semblance of democracy, including Ecuador, Bolivia, Paraguay, the Dominican Republic, Salvador, Peru, and Cuba.

In the light of this record, it is somewhat difficult to understand the proposal which has recently been widely circulated in this country of establishing an American "democratic axis" as a means by which we may escape the conflict between the Berlin-Rome-Tokyo axis and the European democratic states. On the contrary, it would seem that the most dangerous course which the United States could embark on at the present moment would be an alliance with countries which are openly looking to Berlin and Rome for guidance. Nor is democracy strengthened by the fact that many, if not most, of the dictatorships, notably those in Cuba, Santo Domingo, Nicaragua, and Brazil, enjoy more or less open State Department support. It is particularly interesting to note how dictatorships appear to blossom along the trail of the present Ambassador to Brazil, Jefferson Caffery. His role in Brazil is somewhat more difficult to follow than in Cuba, but one can trace the steps taken by the United States since his arrival which have served to strengthen the Vargas rule. Such an outcry resulted from the proposal to "lend" six American destroyers to Vargas that the deal was subsequently canceled. But other measures have been more or less quietly carried through. In July an agreement was signed granting Vargas a \$60,000,000 gold credit "to facilitate the establishment by Brazil of a central reserve bank." In addition, Brazil appears quietly to have obtained a credit from the Treasury to be used for the construction of six additional destroyers. Whether this money is part of the \$60,000,000 gold credit or is an additional sum obtained from the New Deal alphabetical agencies has not been revealed, but from its character it may be assumed that it is new money. Why the American taxpayer should provide funds for naval vessels to support South America's

leading dictatorship, the one most likely to line up with Hitler and Mussolini, can be answered best by Mr. Caffery. We believe that the American public should demand an explanation.

Mr. Kennedy Reports

THE report on the present status of our merchant marine and the outlook for it just published by the Maritime Commission is a sober and entirely discouraging document in marked contrast to the exuberant statements issued at the time of the accession of Joseph P. Kennedy to its chairmanship. The answer to the problem, Mr. Kennedy said last May, "is to build ships—the best and most modern ships—and build them right away. . . . We are going to lay keels for fast new ships. And we are going to do it now." Six months later it is apparent that that dream has faded. All that has been accomplished has been the award of a contract for one ship, a little larger and faster than the Manhattan, the abolition of the old crooked mail subsidies, and the substitution of new subsidies totaling \$10,000,000 a year. The only other achievement is this report before us. It is remarkably terse and outspoken. It minimizes none of the evils and admits that the business is hopeless if the objective is a merchant fleet which will pay its way without government aid. It declares that that aid must steadily increase and that it will run from \$25,000,000 to \$30,000,000 a year. It insists that shipping "must be viewed as an instrument of national policy. Upon the degree to which shipping fulfils this public-service function, therefore, must rest its principal claim for government support."

One of Mr. Kennedy's most important admissions is that "it will be extremely difficult, if not impossible, to determine differentials and foreign subsidies accurately." This *The Nation* has steadily pointed out, yet the false assumption that it could be done underlies the whole theory of the act. It is absolutely impossible to figure out differentials in costs and wages in foreign nations, if only because conditions all over the world change so rapidly; a single act by the French or English or Scandinavian parliament could overthrow in a day the most careful American computations. So the commission throws that foolishness out of the window. It then falls back upon the old contentions that the merchant marine is needed (1) to furnish auxiliary vessels for the navy; (2) to prevent our being at a trade disadvantage in case of war elsewhere, as in 1914-17; and (3) because it is "believed necessary to the fullest development of our foreign commerce."

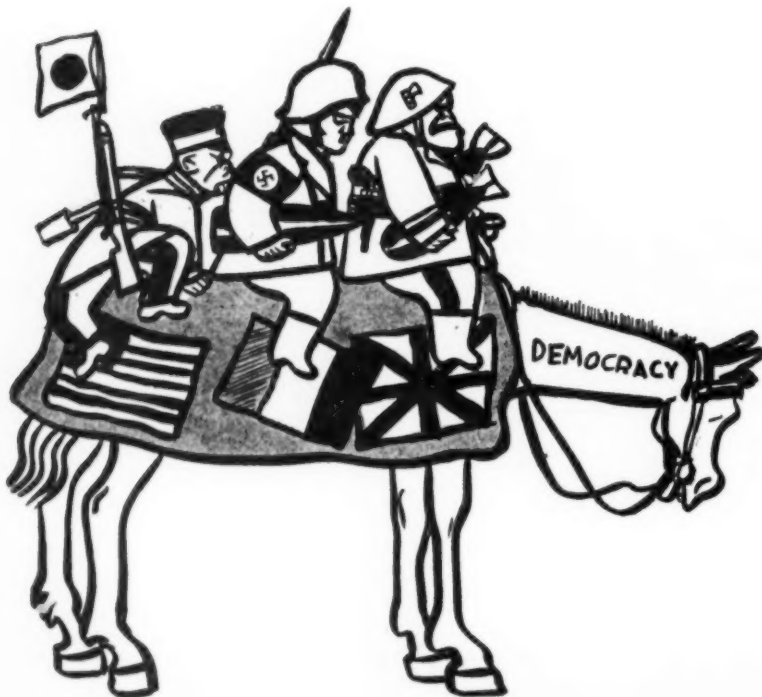
As to the first point, no one can judge the actual need until we have worked out a defense plan such as does not exist today; everything would depend here upon whether we are planning to send troops to Europe or Asia, or simply to defend our own soil, for in one case we should need few ships and in another a great fleet of three or four thousand vessels which could not possibly be maintained in peace time. The second argument would

have some merit if huge wars affecting this country's welfare happened every few years; as a matter of fact only two wars abroad have affected our ocean-trade interests since 1870, the Boer War and the World War. It would plainly be vastly cheaper to take the losses which might come in the event of another great war than to bleed the American public for huge sums year in and year out in anticipation of such an emergency. As for the third point, it is gravely to be doubted whether the presence of an American ship in a foreign harbor ever caused a single cargo to be brought to the United States which would not otherwise have come. It is the importer at home who buys cargoes abroad and not the ship captain.

The question is simply and solely whether for war purposes and for reasons of national prestige the United States is to continue to expend millions upon millions in competition with other nations doing precisely the same thing—maintaining fleets which cannot justify themselves economically, which are not needed by the business of the world, at least not at their present size, and which will be steadily less needed if Russia builds a great fleet and if the present craze for national self-containment continues. Will the American Congress and public stand for maintaining the nine privately owned lines to which Mr. Kennedy says the former thirty-one lines will soon shrink because they are all losing money and using ships that will be obsolete within five years, or will it demand that this "instrument of national policy"—if it is maintained at all—be government-owned and government-run? It would seem that, rather than pour thirty millions a year into private coffers and then not be sure of an efficient merchant marine, the government might better own and operate all the ships. But that does not solve the

question of the shipyards, of which there are not more than six of the first rank, and those six are constantly in the habit, as has been shown by official investigation, of submitting collusive bids. The Kennedy report does go so far, however, as to suggest that the American shipowner be allowed to build ships abroad when the cost is 50 per cent or more below the home price.

No solution is found for the labor question, perhaps the most difficult one with which the report deals. While it criticizes employers for the low wages and bad working conditions on American ships and for refusing to bargain collectively, its recommendations are such that legislation detrimental to labor may easily grow out of them, the more so since they sound both innocent and plausible. The reported two main suggestions are that a mediation board be established, and that some five hundred men a year be trained under the tutelage of the Coast Guard. A maritime mediation board might be a gain, provided it turned out to be as well set up and as well run as the Railway Mediation Board. The trouble is that the maritime unions are in no such position as the solidly organized landlocked railway brotherhoods to control the establishment and operation of such a board. The proposal for a training school is extremely questionable. Even though it involves only a few hundred men a year it opens the way for government control through the selection and training of cadets, control which would be all the more dangerous for being indirect. Apparently labor pressure has been strong enough to send the celebrated case of the *Algic* to the bottom—at least it seems to have disappeared as an issue. There remains the bigger job ahead of keeping Congress from legislating the maritime unions into impotence in the name of national defense and an efficient merchant marine.



Three Men on a Horse

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Fear Hits the New Deal

BY MAX LERNER

Washington, November 12

THE typhoon of business fear, after devastating Wall Street, has hit Washington with terrific force. The politicians here give every indication of being as worried about the business recession as are the big-business boys in New York. And the labor officials on the left of both are, if anything, even more worried, because it is their men who bear the brunt of every depression. Washington is operating at double-quick pace and under great tension; economic doctors are consulting all over the place; charts are spread over the President's desk and the desks of administrative chiefs; there are hurried conferences of business leaders, experts, and government key men, as in the anxious days of the Great Emergency. Battered by all kinds of advice, in most instances conflicting, Mr. Roosevelt is facing the most difficult situation of his administration. The problem is how to arrest the downward spiral of business, which has already more than wiped out the gains since 1936, and to prevent a business recession from turning into a genuine industrial depression.

Whatever program emerges, one result is likely to be a shift in the legislative picture here. When the President called the special session of Congress, his whole plan was geared to a continuation of the legislative job that was bogged down in the verbal mud of the last session. He was all set to take up where he had left off, to push each major piece of legislation in turn, while quieting business fears by tax revision and budget-balancing. And Wall Street, despite his attempts at appeasement, was preparing to fight the program to the death. Now fear has proved to be a great leveler. It would be too much to say that the legislative plan has been abandoned, but it is difficult to find anyone who is terribly interested in it. There can be little doubt that its content will be wholly shaped by the need for stopping the precipitous downward trend of industry. That will be the touchstone by which every piece of legislation will be tested. The cries of business greed on the one side and of government dictatorship on the other will become feebler and less frequent; both will be stifled for all practical purposes in the common eagerness to arrest the avalanche.

This is, many here are convinced, the long-trend prospect. At the same time, however, there are cross-currents of struggle. Neither government circles nor business circles can show any unity as to strategy. Take, for example, the opposition between Morgenthau and the Administration liberals. Morgenthau has had the President's ear for some time, and he has been dinning into it day after day the need for economy and budget-balancing. Similar counsel has come from Joe Kennedy and

Barney Baruch, who may be considered the sounding-boards of whatever Wall Street sentiment the President still listens to. But it is significant that Kennedy at least is changing his tune. He is now for government spending, not only on his pet merchant marine but also on housing, in order to stimulate the heavy industries. So also is a large and influential section of Wall Street opinion. But Morgenthau remains adamant. His speech at the Academy of Political Science the other night was a masterpiece of archaism. He still holds with a Catonian rigor to the ancient simplicities of a balanced budget. His thinking is arithmetical rather than geometrical. He can envisage money only as coins clinking into a till, and has no notion of the dynamic movement of money through all the interconnecting channels of the modern economy. The liberals in the Administration are by no means agreed among themselves, but they are convinced that unless the government undertakes a real spending program now there will be no chance of arresting the downward movement of industry. In fact, even with a big spending program, warns Leon Henderson, it may already be too late.

The President listens to all these advisers, but he is still—as he has always been—his own economist. He has been sifting all kinds of plans during the past ten days. Some have to do with tax revision, some with more direct methods of business stimulation, some with modes of government spending. The pressure for tax revision is enormous, and the situation is not being helped by the frayed relations of the Congressional committee, the White House, and the Treasury experts. Government spending is chiefly to be looked for in merchant shipping and naval construction and in the Wagner housing program, which will necessarily be slow in getting started. There are all sorts of plans for earmarking social-security funds for a greatly enlarged low-cost-housing program. A memorandum to this effect was sent to the White House by Philip Murray, head of the Steel Workers' Organizing Committee. As a C. I. O. leader, Mr. Murray has reason to be interested, since the slump has hit the mass-production heavy industries first and hardest, and it is in those industries that the C. I. O. has the core of its strength.

The indications are that Mr. Roosevelt will hold off, for a while at least, from heavy direct government expenditures, and will play indirect industrial stimulation as his first card. The general idea is to concentrate on construction as a key to the heavy industries. The problem is how to set to work the capital funds that are now idle. Since high wages and high material costs are considered the big barriers, the plan is to bring industry and labor together to make mutual concessions. There is again

talk of Mr. Roosevelt's cherished plan for an annual wage in the construction industries, by which business would guarantee a minimum annual employment, labor would agree to wage reductions, and the industries furnishing materials would agree to price cuts with the assurance of increased volume. For house-builders government money would be available on a second-mortgage basis.

The split on strategy within business circles is much wider than the dissensions within the government. Business has come to a sharp parting of the ways. Up to now those who have had capital for investment have been taking part in a sort of sitdown strike, unwilling or afraid to use their capital and preferring either to keep it liquid in cash or to put it into tax-exempt securities. Administration circles see in this a historical parallel to the desperation with which Nicholas Biddle and the Bank of the United States crowd sought to sabotage Andrew Jackson's attempts to introduce democratic reforms. In more contemporary terms they cite a resemblance to the financial strike against the Blum government—the raids on the franc and the flight of capital from France.

But if financial weapons were deliberately used against the Administration to start with, the slump has now gone too far for anyone's comfort. The shepherds have become the sheep. And although the conservative press is still applauding Mr. Morgenthau's budget-balancing speech, a large section of the business community is now as eager for generous government spending as are the

liberals in the Administration. The public utilities and the power companies are among the bitter-enders. They have been making alliances with the tory Democratic Senators against the wage-hour bill, with the stockbrokers against the SEC, and with the high-bracket corporations for tax repeal.

Mr. Roosevelt held out an olive branch to the utilities several days ago, promising a more friendly government policy in return for an agreement on their part to accept prudent investment rather than reproduction cost as the valuation base for rate-setting. Whether this move means an abandonment for the time being of plans for a set of regional TVA's remains to be seen, but I suspect it does. Some of the utilities spokesmen are for accepting the peace offer; others insist that the real problem is not one of valuation but of whether the government intends to stay in the field of hydroelectric power. The latter will be content with nothing short of throwing a quarantine around the TVA to keep it from spreading, and a revision of the Public Utility Holding Company Act.

Thus both business and government enter a crucial period in their struggle. Both are caught in fatal contradictions of strategy. Business dare not fight the New Deal to the last ditch because that would be suicide. And the Administration is still trying to make the capitalist system work, and is wholly dependent in that effort upon the willingness of capital investors to play the game. In the last analysis Mr. Roosevelt cannot afford to jeopardize "business confidence," and business does not dare to forgo all possibility of government aid.

Fascism's Debt to Paris

BY ROBERT DELL

Geneva, November 2

THE thirty-fourth national congress of the French Radical Party, which has just been held at Lille, had before it a remarkably interesting report on foreign policy presented by Jacques Kayser, one of the ablest of the younger French Radicals. The report, however, had one serious defect—its conclusions were at variance with the premises from which they were drawn. Kayser painted an accurately somber picture of the present European situation and then proceeded to extol the policy that has made that situation what it is. One would imagine, after reading his summing up, that the French Radicals have never made a mistake in foreign policy and that, whoever else may be to blame for the present European situation, they at least are blameless. In my opinion Jacques Kayser would have served his party better had he ventured on a little criticism of its action in the international field. For in fact the French Radicals have a heavy responsibility for the present deplorable situation in Europe.

Edmond Daladier, now president of the French Radi-

cal Party, became Prime Minister of France on January 31, 1933, the day after Adolf Hitler became Chancellor of Germany. From then until February 7, 1934, French foreign policy was under Radical direction. France had four different Cabinets during those thirteen months (first Daladier Cabinet, January 31-October 27, 1933; Albert Sarraut Cabinet, October 27-November 24, 1933; Chautemps Cabinet, November 27, 1933-January 27, 1934; second Daladier Cabinet, January 30-February 7, 1934), but Daladier was a member of all of them and, as M. Kayser said in his report, he and Chautemps were mainly responsible for policy during the entire period.

From February 8 to October 9, 1934, Louis Barthou was Foreign Minister in the Doumergue Cabinet, and during his incumbency France resumed its rightful position in Europe and the French government had a definite policy of its own, not one dictated from London. Had Barthou lived long enough to achieve his aims, it may safely be said that the European situation would now be much better than it is and that France in particular would be in a far stronger position. His successor,

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Pierre Laval, destroyed Barthou's work and capitulated to Mussolini as well as to Hitler. He was duped both by Mussolini and by the British government, which he allowed by his bungling tactics to put on him the responsibility for the capitulation to Mussolini in the Abyssinian affair, for which Britain was equally accountable.

Laval's government fell in January, 1936, and was followed by the Cabinet of Albert Sarraut, with M. Flandin installed in the Ministry of Foreign Affairs. The Radical Sarraut government was responsible for the disastrous capitulation to Hitler, and to the British government, in March, 1936, after the German repudiation of the Treaty of Locarno and the entry of the German troops into the demilitarized zone. The Blum Cabinet, which followed, and the Chautemps Cabinet now in office have continued this same policy of capitulating, for which the Radicals are in so large a measure responsible. It was the threat of the leading Radical ministers to resign on August 8, 1936—under British pressure, it is true—that led M. Léon Blum to agree to put an immediate embargo on exports of war material and other supplies to Spain a month before the German and Italian governments even consented to discuss the question of "non-intervention." By that act the French Popular Front government betrayed the Spanish republic, and, as is now evident, sacrificed vital French interests.

The result has been, as M. Kayser frankly said in his report, that Hitler and Mussolini have won a succession of diplomatic victories and continued their policy of presenting Europe with a *fait accompli*, that the League of Nations is reduced to impotence, that collective security has not been realized, and that the armaments race has developed to an alarming extent. The position of France on the Continent is far worse now than it was when the Blum Cabinet came into office. The French alliance with Czechoslovakia is for all practical purposes the only one that survives, because the case of Czechoslovakia is one of the rare cases since June, 1936, in which the French government has acted independently and taken a firm line.

Since it is impossible to deal in any detail with the foreign policy of France during the last five years in a single article, I will limit myself to the period from January, 1933, to February, 1934, when the Radical Party was clearly responsible for French foreign policy. It was in that period that the policy of capitulating to German bluff and blackmail began, and it is to that period that M. Kayser particularly appeals to justify his claim that the French Radical Party has no responsibility for the present situation. During those thirteen months, M. Kayser says, Daladier and Chautemps tried "when that was still possible, to create between France and Hitlerian Germany a reasonable *modus vivendi* honorable to both parties."

In my opinion the foreign policy of Daladier and Chautemps in 1933 was a succession of blunders. The first blunder was the Four-Power Pact signed in Rome by the British, French, German, and Italian governments in March, 1933. The pact was ostensibly proposed by Mussolini, but there is good reason to believe that the

idea of it was suggested to Mussolini by the German government. Its purpose was to substitute in practice a junta of the four great Western powers for the League of Nations, so far as Europe was concerned. It was in fact intended to be the first step toward that "reform" of the League of which we have since heard so much, which is to consist in depriving the League of what powers it possesses under the Covenant and reducing it to the level of a debating society. This idea met with the warm approval of Ramsay MacDonald, who was then British Prime Minister. Fortunately, the Four-Power Pact never came into force, for it was never ratified by all the signatories. Its consequences, however, were disastrous.

One of its first results was the estrangement of Poland from France. The Polish government, quite rightly, was strongly opposed to the Four-Power Pact, which, the Poles saw, would deprive Poland of any effective voice in Europe and ultimately be a menace to Polish independence. Marshal Pilsudski implored the French government not to sign the pact, but M. Daladier and M. Paul-Boncour, who were then respectively Prime Minister and Foreign Minister, refused to listen to the Polish entreaties and walked into the trap laid for them by Hitler, Mussolini, and Ramsay MacDonald.

The second blunder was the acceptance by the Daladier Cabinet, as a basis first of discussion and then of the future convention, of the British draft convention presented to the Disarmament Conference by Ramsay MacDonald on March 16, 1933, a few days before the signing of the Four-Power Pact. It was a blunder because the draft convention, which was a rearmament rather than a disarmament convention, allowed the immediate and almost complete rearmament of Germany on land—the Germany army not being a danger to England—but not on sea or in the air, and annulled the disarmament clauses of the peace treaties without providing any effective international control of armaments or any effective measures for preventing or punishing a violation of the convention.

The third blunder made by the Daladier Cabinet was even more serious. In April, 1933, Marshal Pilsudski proposed to the French government joint action by France, Poland, and the Little Entente to put a stop to German rearmament. The first step would have been to ask the League of Nations for an investigation of German armaments under Article 213 of the Treaty of Versailles. The Council of the League of Nations has the right under that article to decide on an investigation by a majority vote, and a majority would certainly have been obtained. It is probable that Hitler would have refused to agree to an investigation, counting on the certain refusal of the British government to join in any action against Germany. But the other countries concerned would have had the right to take such action under the Treaty of Versailles and the Hague Agreement of January, 1930. The action proposed in the event of Hitler's refusal to agree to an inquiry was the occupation of a great part of German territory by the armies of France, Poland, and the Little Entente. At that time Germany was incapable of making any effective resistance. The

French General Staff was strongly in favor of the action proposed by Marshal Pilsudski, but Daladier refused to agree to it. I do not know whether on this occasion the British government was consulted, but it probably was.

It is often said that a reoccupation of German territory in 1933 would have been no solution. If by that is meant that it would not have finally solved the problem of European peace, it is true, but if we are never to do anything that will not finally solve some given problem or other, we shall never be able to do much. The danger of the moment in April, 1933, was German rearmament, and the course proposed by Marshal Pilsudski would certainly have stopped that. It might even have destroyed the Nazi regime, which had then been in existence for only three months and was far from securely established. On this occasion the Radical Prime Minister of France incurred a responsibility that, in my opinion, it is hardly an exaggeration to call criminal. The late Arthur Henderson, whose pacifist convictions were indisputable, told me not long before his death that he believed France had made a mistake in not asking for an investigation into German armaments.

As a result of Daladier's blunder Pilsudski came to the conclusion that France was too weak to be counted on and that the only safe policy for Poland was to come to terms with Germany. In June, 1933, the German and Polish governments published a joint declaration affirming their desire for peace and declaring their intention of concluding a pact of non-aggression. In August, 1933, the Daladier Cabinet made yet another blunder—that of joining in the Anglo-French "friendly representations" to Hitler about the Austrian question, which were not even made jointly. The representations resulted in one of the most humiliating rebuffs ever inflicted on the governments of two great powers. Metaphorically speaking, Hitler kicked the British and French representatives downstairs. Naturally, this humiliation did not strengthen French influence in Poland or anywhere else.

Nevertheless, Pilsudski showed himself in no hurry to conclude the pact with Germany, and when Germany finally left Geneva on October 14, 1933, he repeated to the French government the proposal that he had made six months earlier. Again Daladier refused, although had he had the courage to ask the Council of the League of Nations for an investigation into German armaments the day after the German withdrawal, the British government would hardly have dared to oppose it. At that time Sir John Simon was more infuriated against Germany than anybody else in Geneva. M. Paul-Boncour, who was the head of the French delegation to the Disarmament Conference, did make a strenuous effort to get the conference to try to arrive at a convention which could be submitted to the German government. He was supported by Arthur Henderson, who had been opposed to the continuance of the Disarmament Conference a year earlier, when Germany left it for the first time, but had learned by experience what a mistake it was to make concessions to the German government in order to bring it back. Paul-Boncour, however, was overruled by the British and Italian delegations, and then the French gov-

ernment joined with the British in putting a premium on secession from the League of Nations by offering Hitler concessions that they had refused him before Germany left Geneva.

These successive capitulations to Hitler finally confirmed Pilsudski in his belief that France could not be counted on and that Germany was likely to become the dominant power on the Continent. Yet he still hesitated to take the plunge of signing the pact with Germany, although the German government was pressing for his signature. Pilsudski knew that it would mean, for all practical purposes, the end of the Franco-Polish alliance, as in fact it did. Toward the end of 1933, however, alarming information reached Warsaw about secret negotiations between Daladier and Hitler, in which Fernand de Brinon was the intermediary. This made up Pilsudski's mind, and the German-Polish pact was signed in January, 1934.

The secret negotiations with Hitler, which went much farther than is generally known, probably did more than anything else to convince Hitler that France was afraid of him. He kept quiet as long as Louis Barthou was French Foreign Minister, but when he found that Barthou's firm policy was not being continued he started again the policy of bluff which had been so successful in 1933. It will be remembered that during a visit that he paid to Berlin late in 1933 Arthur Henderson suggested, in a public speech, a meeting between Hitler and Daladier. He was a good deal criticized for making the suggestion, but he himself told me that he had made it at the request of the French government.

It is impossible to say whether Hitler took the negotiations seriously. He must have thought that the aim of the French negotiators was to put an end to English interference on the Continent, and one of the principal aims of his policy is an alliance with England. On the other hand, Hitler says in "Mein Kampf" that the destruction of France should be "only a means of at last giving our people later on the possibility of expanding elsewhere." That is to say, France was to be destroyed only as an obstacle to German territorial expansion in Europe. Hitler may well have thought that if the French would agree to give Germany a free hand east of the Rhine, an alliance or understanding with France would serve the same purpose as its destruction. In any case he would never have agreed to an alliance or understanding with France except on that condition. If M. Daladier and M. Chautemps did not know that, they were dupes. If they knew it, they were prepared to throw over all France's eastern friends and allies. In the latter case, too, they were dupes, for when Hitler had conquered the rest of the Continent he would have turned on France and demanded Alsace-Lorraine and perhaps more. No *modus vivendi* between France and Germany "honorable" or advantageous "to both parties" was possible in 1933, or is possible now. What was possible in 1933 was to rid France and Europe of the danger of an aggressive and predatory Germany. Instead of doing that, the French Radicals, represented by Daladier and Chautemps, increased the danger.

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What Ruined the Railroads?

BY ELIOT JANEWAY

THE panic in Wall Street marked the end of a period in the New Deal recovery. From its beginning in 1933 until last spring, the upswing had been a consumers' recovery, based primarily on rising purchasing power. Early this year business felt, and the Administration agreed, that the revival in purchasing power had brought the country as far on the way to prosperity as it could, alone. Now was the time for the consumers'-goods recovery to be reinforced by one in the basic industries. But production in the heavy industries barely gained momentum before a decline set in. And as the rate of steel production dropped from over 90 per cent of capacity in the spring of 1937 to about 40 per cent, as overtime disappeared and unemployment reappeared, purchasing power declined sharply. The collapse in the stock market was not due to machinations by either Roosevelt or Wall Street. It reflected the inability of the heavy industries to regain their pre-depression momentum.

By far the most serious of the reverses in the heavy industries has been that suffered by the railroads. The misfortunes of the roads were possibly the greatest single factor in precipitating the business slump which now threatens the entire recovery movement. The steel industry has come to depend upon the roads to absorb at least one-quarter of its output. Any failure of railroad buying to reach this level means serious maladjustment throughout heavy industry. In 1936, as the boom got under way, the roads took 10 per cent of steel production. Today they are taking less than 1 per cent.

How explain the fiasco of the railroads? By the simple fact that while their revenues were increasing their earnings were falling. This is in flagrant and costly contradiction to the first principle of American industry. Our entire system of mass production is based upon the ability of industry to profit by increased volume and lower prices through the constant introduction of cost-cutting equipment. The story of the railroads, contrarily, is one of rising volume but falling profit. It is a story that must cast doubt on the ability of the roads ever to prosper again, no matter what volume of freight they may carry.

In the fall of 1936 car loadings reached the highest point since 1931, throwing officials of the Association of American Railroads into a panic over the possibility of a car shortage. All through the last half of 1936 and the first half of 1937 freight-car loadings mounted steadily along with increased activity in the heavy industries. With car loadings in the first six months of 1937 running fully 14 per cent ahead of last year, Wall Street began to dream of a return to the pre-depression days when the railroads loaded a million freight cars a week and really made money. Foreign investors too agreed that

the next great advance was to be made by the railroads. The shrewd Dutch in the first quarter of 1937 doubled the rate at which they were buying American securities, and most of this money went into railroad stocks. One Dutch interest increased its holdings of Pennsylvania stock from 34,248 shares to 104,728 shares. Southern Pacific and Baltimore and Ohio were other roads that were bid up with the assistance of foreign capital. Railroad shares began to follow steel shares on the long trek back to 1929 highs.

In the wake of the railroad boom came a powerful movement in the key equipment industry, link between the roads and steel. The eight leading equipment firms, starved during the depression, found themselves entering 1937 with a backlog of orders worth \$150,000,000. And new orders continued to pour in. On March 1, 1935, the third year of recovery, the Class 1 roads had 514 freight cars on order. One year later the figure was 12,679. And on March 1, 1937, orders had reached a total of 42,212, a figure not even touched in March, 1929, and carrying clear back to 1926. The locomotive firms too came in for their share of new business. In 1932 they had booked orders for exactly 14 locomotives. In the first four months of 1937 they shipped 103 locomotives to grateful railroads and had orders for 405 more. And this, business felt, was only the beginning. The vice-president of the Baldwin Locomotive Works told the press that "our industry can work to capacity for the next fifteen years just taking care of obsolescence of American railroads." Actually it was not destined to work even through the rest of 1937.

In March railroad securities stood at such highs as 65 $\frac{3}{8}$ for Southern Pacific; 55 $\frac{1}{4}$ for New York Central; 50 $\frac{1}{4}$ for Pennsylvania; 94 $\frac{3}{4}$ for Atchison; and 148 $\frac{3}{4}$ for Union Pacific. In the October panic these stocks touched lows of 17 for Southern Pacific; 15 $\frac{1}{8}$ for New York Central; 20 for Pennsylvania; 35 for Atchison; and 86 $\frac{5}{8}$ for Union Pacific. What brought about the steady decline in these gilt-edged securities when the roads were preparing to move the largest crops in history, when they were participating in an apparently sustained industrial boom? Hints at the answer began to appear when the roads published their April reports. The Union Pacific, for example, showed an 11.8 per cent rise in revenues, but it also showed a 14.7 per cent rise in operating expenses, which reduced its net sharply. Then in June came the news that eleven roads, accounting for nearly half of the industry's revenues, had increased their gross 8.5 per cent—while their maintenance charges, leaping ahead, were up 19.5 per cent. In 1936, the year of real advance, seven roads, representing a cross-section of the

industry, had increased their gross incomes only 17.4 per cent over 1935, while their net incomes had shot up 48.3 per cent. This was not sensational but normal. Above the "break-even" point, every healthy industry expects to increase its net 25 per cent on every 10 per cent increase in gross. But the railroads were unable to maintain this rate of advance with the increased volume which 1937 brought them. For the first half of the year, on an 11.4 per cent increase in gross, their net income advanced only 16.9 per cent. This was an omen, but by August no omens were needed. For the results of that month's operation, made public in October, showed that while gross ran 2.6 per cent ahead of 1936, net lagged fully 12.3 per cent behind; September net fell 15.4 per cent.

The simple fact is that their equipment was incapable of handling the business offered them. The number of freight cars in good condition had fallen to about 75 per cent of what it was in 1929. By the middle of 1936 the roads were actually loading 10 per cent more cars than were listed as being in good order. In spite of this shortage, nearly 35,000 cars had to be retired during the first four months of 1937, and the new cars put in use in the first half of the year were not sufficient to replace them. On poor roads like the New Haven 90 per cent of the cars were more than twenty years old, which is generally admitted to be the efficiency limit, and only 20 per cent of the cars of a good road like the Pennsylvania were under this age limit. Equally obsolescent and still more productive of rising costs were the locomotives: between January 1, 1936, and April 1, 1937, the number of serviceable locomotives fell by 1,600, in spite of the large number of replacements made during that period. Today fully one-third of the 45,000 steam locomotives in use on Class 1 roads are more than twenty-five years old. This obsolescence is reflected directly in a catastrophic rise in maintenance costs and transportation expenses. Demands on the freight car and locomotive, particularly for speed, have gone up terrifically in recent years. Two obsolescent locomotives are frequently needed to pull a train that one modern engine could handle. The doubling of locomotives results in a supplementary locomotive mileage amounting to 64.8 per cent of all locomotive miles on the Delaware and Hudson and to similar dangerously high percentages on most other roads. On the Burlington, for example, maintenance cost for new Diesel locomotives is only 4.84 cents per train mile: for old steam locomotives of the same capacity, it is 28.98 cents a train mile. The head of General Motors' Diesel subsidiary recently declared that the roads could save \$52,000,000 annually by putting 3,000 Diesels into switching service. This saving would be sufficient to liquidate the investment in five years. Old freight cars, old tracks, and old shop equipment have the same fatal effect on costs.

The London *Financial News* has calculated that during the seven years from 1929 to 1936 the American railway system ran fully \$2,200,000,000 behind on its maintenance expenditures. This makes no allowance for innovations in equipment, but refers to the failure to

replace worn-out rolling stock by cars and engines of the same type. All through the depression years the roads continued to set aside, out of their income, reserves for depreciation which compared satisfactorily with those of the 1920's, but whereas actual purchases of new equipment in the 1920's ran well ahead of depreciation reserves, only a fraction of the money set aside in the 1930's for purchases was actually used for this purpose.

One expenditure of the railroads did remain constant during the depression years. That was the interest on bonds. And here is the secret of the railroads' failure. For these bonds represent a still unpaid mortgage on the obsolescent equipment which prevents the roads from operating at a fair profit. Thus the very equipment which is driving the roads into bankruptcy cannot be replaced because of the burden of debt to the bondholders. Fixed interest charges, added to the high cost of operating the equipment on which such interest is paid, pile up huge costs which must be met before a profit can be shown. It is these same charges which afford railroad management the occasion for its periodic pleas for higher charges to the public and against higher wages to labor.

What is the solution? As long as the roads must operate with hopelessly inefficient equipment, they cannot pay interest to their bondholders and satisfactory wages to their employees, lower their carrying rates to the public, and still keep out of the red. A continuation of the present situation will inevitably drive even the strongest roads into bankruptcy just as surely as it did the weaker roads after 1929. Nor is unconditional public ownership desirable for the present. The public clearly has nothing to gain by letting the government take over these properties on the basis of one dollar in good hard cash for every dollar of dubious railroad bonds. And even the bondholders have no security against bankruptcy; the bonds of bankrupt roads, issued at \$100, are selling for as little as \$10.

Only one suggestion appears to offer a way out—a suggestion made, significantly, in behalf of the New York State savings banks. It is to convert the huge bonded indebtedness hanging over the railroads, amounting to 62 per cent of all their securities (the percentage is only 28.7 in England, where the roads are solvent), into ordinary common stock, entitled to no prior claim on income but bearing its risk and pocketing its dividends out of profits, like capital in any other business. The savings-bank study pointed out that two out of three typical bankrupt roads could have remained solvent had this procedure been followed, and that it could have been followed with surprisingly little cost to the roads.

The mere fact that the savings banks, themselves such large holders of railroad bonds, should have proposed this common-sense solution of the immediate problem speaks eloquently for the crisis of the railroads. It admits, in effect, that the railroads cannot continue to pay off their obligations on obsolescent equipment and remain in business. It admits also that the cause of this crisis is not the wages of labor or the regulation of rates by the government but the criminal negligence of the roads in so ineptly arranging their own financing. Here,

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November 20, 1937

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in the failure of this basic American industry to keep pace with modern technology, lies one of the roots of the sudden slump which is threatening business recovery. The vested interest of the bondholders is surely a small consideration to be placed in the balance against the

chances of recovery, especially since the bonds will certainly be defaulted if recovery ends. And unless the railroads find a way to buy modern cost-cutting equipment, and to free themselves from the fixed interest charges with which they are now saddled, recovery will end.

The Camera Reconnoiters

BY BEN BELITT

IT USED to be the travelogues, not so long ago, that were being written "with gun and camera"; today it is history. Our chroniclers are already among us. At Corning they have been polishing the great lenses soon to be trained upon interstellar darkness; nearer home their lenses are fitted to motion-picture cameras and are trained upon contemporary chaos.

There have been many, of late, to point out that the camera eye is an organ of which Hollywood seems so far to have discovered only the hypnotic possibilities. Certainly since the time of Griffith it has not ceased to propound triangles and transform Cinderellas in lethal double features throughout the nation, and has paused only rarely for experiments in realism like "Fury" and "The Informer," or the more synthetic "Zola," "Dead End," and "Winterset." Its answer to the distress of our time has been the neighborhood bank night and the newsreel potpourri edited down to the perfunctoriness of a news-flash. In the course of less than half a century it has not only exhausted its mythology but lost touch with reality.

Hollywood's answer to its doldrums, apparently, is three-dimensional films, features in technicolor, and a revolving belt of imported profiles; and with such projects it keeps complacently occupied. Six months ago, however, a group of scenarists and camera men came forward with an answer of their own—the independent, non-profit organization known as Frontier Films. At their head is Paul Strand, whose memorable "The Wave" was an indication of what may be expected of this enterprise. His colleagues and advisory staff include, among others, Joris Ivens, pioneering producer of "Borinage" and "Spanish Earth," Ralph Steiner, Leo Hurwitz, John Howard Lawson, Elia Kazan, Vera Caspary, David Wolff, Malcolm Cowley, John Dos Passos, Lillian Hellman, Archibald MacLeish, Lewis Milestone, and Clifford Odets. Their purpose is to bring to bear on the contemporary scene an organized group of professional scenarists, directors, and camera men who will faithfully transcribe that scene in terms of its drama, and "wield this power consistently on the side of progress." To this end they have said their farewells to Hollywood, to reconnoiter on their own for themes which American life today has flung squarely before their cameras.

Moviegoers throughout the country have already participated in the scouting experiments out of which the

venture emerges. By the hundreds of thousands they have found their way to the independent motion-picture houses to appraise, many of them for the first time, a new type of "documentary short" combining drama and the morning's headlines. In "The Plow That Broke the Plains," a WPA undertaking, they witnessed the spectacle of American land erosion as recorded by the cameras of Ralph Steiner, Paul Strand, and Leo Hurwitz. In "Spanish Earth" Joris Ivens, Ernest Hemingway, and Archibald MacLeish, working together as the "Contemporary Historians," unfolded for them the portent of the Loyalist struggle in Spain. In "Spain in Flames" and "Heart of Spain," the latter a Frontier release, pertinent phases of the same conflict were again touched off; and in the newest Frontier offering, "China Strikes Back," the lens has documented China's reply to the challenge of man's fate in the Far East.

"Spanish Earth" invites particularly close inspection. Already in its third month in New York, it is scheduled, in spite of overwhelming competitive odds, for appearance in some sixty key cities throughout the United States, and according to its distributors will have rolled up a total of at least 800 theaters and 2,000 extra-theatrical exhibitions before its run is completed. The figure admittedly dwindles if entered on the records alongside the nation's 17,000 film houses; nor is the sum total of 1,600,000 paid admissions to be compared with the paid-admissions count of the country, which weekly runs to more than 80,000,000. It becomes impressive, however, when one recalls that the totals which are being compared in each case represent the initial triumph of a pioneering venture over a tightly monopolized commercial machine which for more than a quarter of a century has been adding theater to theater, in producer-distributor circuits hitherto considered impregnable.

It is the plan of Frontier Films to utilize those outlets of which Hollywood takes no cognizance, as well as the commercial movie houses. "We have," it is explained, "appealed so far to the 'subway circuit' of motion-picture houses, for the most part independently owned and exhibiting the finer foreign films throughout the country. We propose now to open up new channels which will embrace the greatest potential theatrical and extra-theatrical audience for living and purposeful films that exists in America. Our facilities are already at the disposal of responsible agents which cut across the bias of modern

life—the trade unions, the cooperative societies, educational institutions, social-welfare groups, peace organizations, public forums, churches of whatever denomination, schools, and the like. We hope to utilize all these channels in the regular distribution of our films. In time we expect to include an even more widely scattered audience in a program of organized road shows which will tour the farming communities and mill towns of the nation." It is expected that many progressive organizations, particularly trade unions, will follow Europe's example of sponsoring realistic documents in which the problems peculiar to their respective groups will be candidly and dramatically transcribed in the language of their respective trades. A film portraying the unionization of John Doe, automobile worker, is already under consideration.

This concern of experimental photography for events close to our own time and society is not a fad but a flowering. Many of its practitioners are drawn from the ranks that created the Group Theater. They are the same group, substantially, who several years ago organized the Film and Photo League to produce "stills" and motion pictures which would take stock of modern life in America, which would report the events of the day in newsreels that stayed for an answer where the commercial product looked askance. They are the group who in 1932 trained their cameras on the East Side Hooverilles, the Washington hunger marchers, and the Scottsboro case. And it was from this group, finally, that the Nykino workshop emerged in 1933, in response to the need for a craftsmanlike unit to effect a vital rapport between the camera and the materials with which it was concerned.

What is the documentary film? It is more, says Paul Strand, than a purely informative chronicle of things and events, a mere journalistic diagram of reality. "The problem which the makers of documentary films must solve," he declared, "does not end with the problem of how an audience may be informed. They must devise legitimate techniques for moving an audience by projecting the basic dramatic meanings implicit in the documents." The reportorial coverage of weekly newsreels and travelogues is only one element in the documentary film and is distributed in strategic sequence-patterns to achieve effects of drama and emphasis that the commercial news camera man cannot take into account. In the same way the March of Time releases are foreign to the technique now under consideration, although they have combined reporting with another significant element of the documentary film—the enactment of the drama. Frontier Films is frankly concerned with the problem of involving its audiences in a context of specific responses to the material with which they are being presented. Unlike the March of Time productions, however, whose chromium-bright polish is in its way as much a matter of pace and façade as the factory product of Hollywood, it prefers to deduce both pace and drama out of the real scene and the real protagonists. It is interested, for example, in the story of Myles Horton, who gave up a career in the ministry to found the Highlander Folk School in a small Cumberland Plateau mountain community near Chattanooga. The resulting moving picture, based on a script by

Elia Kazan already recorded in film by Ralph Steiner, will be released shortly. It presents the literal story of a community enterprise filmed in the midst of its own mined-out and lumbered-off poverty, with its own protagonist in the "title role" and native miners, lumbermen, and textile workers enacting the drama that at one time was their experience. "The world," Mr. Steiner declared, "is our studio. One works with life itself here, not with fabrications of it. And there's no more exciting material in the world for a man who wants to run a camera."

Leading directors, camera men, and writers have affirmed this enthusiasm and are engaged in similar ventures on both sides of the Atlantic. In France the Ciné Liberté under the distinguished leadership of Jean Renoir, director of "The Lower Depths," has produced "La Vie Est à Nous" and "La Marseillaise," the latter sponsored by the Front Populaire and financed by popular subscription. In England independent film makers like Paul Rotha have organized the Strand Films and Realistic Films, which are turning out not only educational films but trade and government documents on such diverse topics as building and malnutrition.

Frontier Films plans to release in the immediate future, in addition to the Highlander School and automobile-worker items, a feature-length picture on child labor called "Pay Day," prepared by George Sklar and Vera Caspary with the directorial collaboration of Paul Strand, William Watts, and Leo Hurwitz, to be followed later by a shorter film, "Labor Spy," based on the violations of civil liberties revealed by the La Follette committee investigation, with a script by David Wolff. The cost of a documentary film is naturally dependent upon the exigencies of production. Such a picture as the automobile worker's film requires at least \$7,000 to complete, while the current three-reeler "Heart of Spain," which was first compiled on the scene in loose photographic sequence by Herbert Kline and Geza Karpathi and later built into a dramatically moving film in the cutting room by Strand and Hurwitz, reached the projector's booth at a cost of only \$5,000.

Up to the present the camera has attempted to make visible only what the public, because of its conditioning, has wished to believe. Just recently the production chief of a major Hollywood film factory announced the picture schedule for the forthcoming year with the manifesto: "With the whole world in a crazy turmoil people's nerves are too taut to stand the strain of serious drama. War is already under way in the Orient; Europe is on the verge of war; and here in the United States labor troubles and political dissension have everyone on edge. . . . So 1938, like 1917, 1918, and 1919, will see the rise of many new comedy stars."

We need to be delivered from our spellbinders. History by hearsay is yielding place to history by eyewitness, and our roles are already being thrust upon us. It remains for the actors to be united with their drama, for the involvement as a whole to be envisioned in terms of its portent. For this purpose the documentary film, as Peter Quince once observed, offers "a marvelous convenient place for our rehearsal."

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British Labor Comes to Life

BY HAROLD J. LASKI

London, October 27

NO PARTY in Great Britain is more complex either in structure or in function than the Labor Party, and about none is it more dangerous to prophesy with assurance. After the Norwich Congress of the Trades Union Conference, which was mechanical in form and defeatist in temper, I assumed that the annual conference of the Labor Party at Bournemouth would be built upon a similar pattern. And in a sense it was. On matters of formal policy the National Executive won all along the line. The united front with the Communists was turned down; the party is not to oppose rearmament; the short-term program was approved; the old-age pensions scheme, built upon a contributory basis, was accepted by an overwhelming vote. So far as outlook on measures was concerned, the right wing of the party had its own way with almost terrifying ease.

And yet the spirit of the conference was not right wing. That spirit emerged in three ways: in the vital changes made in the method of election to the National Executive; in the result of the first elections held under a new scheme of choice; and in that palpable thing the atmosphere of the conference, which the observer is able to feel even if he finds it extraordinarily difficult to describe.

Since 1917 the members of the National Executive have been elected from various groups. Trade unions had thirteen representatives, women five, local-constituency parties five, and national organizations like the Fabian Society one. Candidates were elected by the vote of the whole conference, which meant in effect that the trade unions decided the issue, and were able completely to determine the trend of policy. For many years this was a source of dissatisfaction to the constituency parties, but nothing was done to meet their grievance. Last year, at Edinburgh, they made an effective protest and received an assurance from the National Executive that the matter would be examined. They also formed an association to press their claims. Regional conferences on the problem were held during the year, and as a result the Executive was convinced that any delay in handling the matter would be bad for the morale of the party. It therefore proposed (1) that the number of constituency representatives should be increased from five to seven; (2) that these should be elected by the vote of the constituency delegates only at the conference; and (3) that the new method of voting should come into effect immediately. After considerable debate and an attempt on the part of the great unions to delay application these proposals were adopted by the conference, and the constituency parties then proceeded to elect their representatives in the new manner.

The result was an unmistakable victory for the left. The writer, Cripps, and Pritt were chosen by resounding majorities; the day before, the first two had been clearly threatened with expulsion from the party if they continued to campaign for the united front. Among the women, Miss Ellen Wilkinson, another left winger, was also elected. The new Executive now contains, therefore, a small but significant group who represent the demand for a much more definitely socialist policy. It is true that they cannot continue to speak on Communist platforms, and they must end the special and separate campaign for unity they have been running in the last few months; but the whole conference was aware that their election meant an eager desire on the part of the constituencies to go forward. The change in the temperature of the party as a result is unmistakable. The difference between Norwich and Bournemouth is the difference between a trade-union wing which is content to work within the framework of capitalism and a Labor Party which says, as clearly as it knows how, that it wants those who reject that view to have a decisive voice in shaping the policy of the party.

It is too early even to guess what will be the result of this new emphasis. The majority of the Executive is still the old majority. But it is not at all unlikely that on many of the outstanding issues it will desire to recognize the need for a new temper in party direction. To some extent this is already evident in foreign affairs. Bournemouth has strengthened the hands of those leaders in the party, notably Mr. Attlee himself, who emphatically hold that the less collaboration there is with the national government the better it will be for the place of Labor in the mind of the nation. We may hope, too, that in matters like the treatment of the unemployed and the condition of the distressed areas a new fighting spirit will develop in the country. Unless I miss my guess seriously, the party will begin in these next months to move slowly but decisively to the left.

This does not mean—I say it with regret—that there is any immediate hope of working-class unity. From innumerable conversations with the delegates at Bournemouth I was able to deduce three things. First, they do not trust the Communists; the long record of "tactics" has left an impact of suspicion which it will take a considerable time still to remove. Second, they are afraid that the source of Communist policy is too much Moscow and too little London, and they dislike what they call a dual allegiance. Third, there is no doubt that the mass executions in the Soviet Union in the last two years have greatly injured the prestige of Russia with the rank and file of the Labor Party. They do not understand them, and they feel that those who accept them without dis-

cussion are not satisfactory allies. I do not comment on this view; I merely record it. In my judgment the executions undoubtedly cost the supporters of the united front something like half a million votes in the Bournemouth conference.

Yet I am left with the impression that the future is with the proponents of unity. The short-term program of the party is by any interpretation incompatible with the foundations of capitalism. The policy of the party is getting more and more defined as one which requires for its defense a Marxist interpretation of foreign affairs. The rise in the cost of living is going to compel the unions to put forward new demands, and it is going to put the problems of the unemployed once more in the forefront of political discussion. Events, in a word, are going to drive the party to the left, and in being so driven it is going to discover that the present schism is a loss of strength for which there is no defense. What is more, I think it unlikely that the new Executive will be either able or willing to devote as much of its energies as in the past to heresy-hunting. It is the clear will of the constituencies that it should get on with the job of fighting the government. There is a new realization that this cannot be done merely with a future program of desirable measures. You have to fight the government on what it is doing now. That is the only way to arouse confidence that you may, as a party, rightly be intrusted with the direction of the state. And this means that in the realms where the Labor Party has drifted—Spain, China, the unemployed, youth in industry and its intolerable conditions—it will have to take the lead. But to take the lead

means, frankly, to inform its actions with a Marxist spirit. There is a real growth in the number of Labor Party members who see that without an adequate philosophy the line of action taken by the party leaders is bound to be fortuitous and episodic instead of being built upon a correct reading of the historic movement of the times.

To some extent this development is, I think, due to the growth of the Left Book Club and the impact it is making. Its six hundred discussion circles are independent of all party ties, and the club itself has no party axe to grind. But because as a club it is for peace and against fascism its tendency is toward a growing support of the Labor Party as the one mass movement upon which, in these critical times, reliance can be placed. It is rapidly turning hundreds of young men and women to a consciousness of political and economic philosophy, and as they gain this consciousness they naturally tend to take their place in the Labor ranks. More than this, they tend to become the keenest members of local parties, just because they have learned to think for themselves. In the past twelve months their discussion circles have held scores of public meetings in which the philosophy of the left and its bearing on current problems have been driven home. So far the Labor Party has frowned upon the club, largely because its independence has meant criticism of the leadership and because it has provided a platform upon which progressives of all shades could meet. It is not improbable that in the coming months this hostility will be modified. If it is, the party will have a resurgence of strength such as it has not experienced in many years.



LAST VISITORS TO THE SEASIDE

Issues and Men

BY OSWALD GARRISON VILLARD

THE sudden death of Ramsay MacDonald removes an unhappy and tragic figure. Never did an Englishman have a more glorious opportunity than was his when he first became Prime Minister in 1924, and never did any statesman quit political life less regretted, after having been Prime Minister, technically speaking, three times. The tributes paid to Stanley Baldwin on his retirement may or may not, I think not, have been deserved, but at least it was an event of first importance. Ramsay MacDonald went out on the same day, and there were few so poor to do him reverence. Was that not tragedy pure and simple?

I first met MacDonald in London in the days after the Armistice and conceived at once a great admiration for his beliefs and his mental processes, and a genuine affection for him personally. Though some now dispute this, it seemed to me that he displayed the greatest courage during the war in refusing a high Cabinet post and sticking to his opposition to British entry into the struggle. It was a profound humiliation for him when as the head of the Independent Labor Party he was not allowed to leave England to attend a pacifist conference in Scandinavia, a militant seamen's union refusing to permit him to embark. He felt keenly the ill repute in which he was held at that time and the loss of his seat in Parliament in the khaki election of December, 1918. He always insisted that he was never treated with any personal discourtesy during the war, but when we were together in Paris during the Peace Conference I noticed that he was not particularly anxious to meet men high in British officialdom, while they often openly avoided him. Yet it was easy for him to regain popular favor when the turn of the tide came, and he stepped into the office of Prime Minister without any real competition so far as the Labor Party was concerned, despite the widespread admiration for Arthur Henderson's sterling qualities. MacDonald's devotion to his principles then kept for him the respect of the bulk of the men who most ardently disagreed with him.

Yet the sad fact is that when he left office the only persons who had any regret were the very men he had opposed most of his life—the big business men and the ultra-conservatives. And they only cared for him because they felt that he was no longer dangerous to them and their special privileges. Never was there a greater change in a man; yet to the end he maintained that the many old friends who criticized and broke with him were in the wrong. He had done the patriotic and the devoted thing in wrecking his second administration and forming the "National" government, and he felt sure that history would uphold him for saving the country from "going

on the financial rocks." The alteration in him was not a sudden one. The process of change and decay began early. He denounced the Independent Labor Party in which he had been so prominent and read it out of the political field. His tenderness toward persons he had previously opposed became manifest. He became devoted to King George and to certain bearers of titles, both men and women. It was more and more evident that he liked immensely the honors and emoluments and appurtenances that went with his high office, notably his residence at Chequers. Never, in short, was there a clearer case of a man's whole point of view being affected—his moral fiber impaired, his vision blurred—by the office he held.

All of this was accompanied by his tendency to rationalize everything he did. In the days when he was out of Parliament and out of office he had written articles for *The Nation* denouncing British policy in India; yet when the opportunity came to him to alter that policy he did nothing. No more than Woodrow Wilson would he admit that he could err. The most outspoken of pacifists, he could not when in office take the lead to bring about a harmonious and disarmed Europe. He had denounced the Treaty of Versailles almost as vigorously as *The Nation* did, and yet neither of his administrations can be credited with any great step forward in pacifying Europe; he might have led the way toward a revision of the treaty and so headed Hitler off. He who had so bitterly opposed armaments remained in the government and approved Stanley Baldwin's unprecedented rearmament of Great Britain. I am profoundly sorry to say that I do not believe that the Conservatives could have done anything which would have driven MacDonald out of the Cabinet.

The pity of it! Nature intended him to be a leader of men. It gave him a superb presence and made him personally as winning as he was handsome. He had a magnificent voice; I heard him make his fourth speech on an exhausting day of his last visit to the United States. His voice was never more glorious, and the captains of industry who heard him were carried away by his oratory—they would have torn him limb from limb during the war years. When he was taken ill in Philadelphia on his visit here with his daughter Ishbel in 1927 and it was believed that he was dying, I was sent for and asked to be prepared to handle the press when the end came. Perhaps it would have been better for his reputation and his place in history if he had not recovered. Fortunately he was spared for his devoted family. It is characteristic of him and of them that they declined a Westminster Abbey burial for him, and that his last journey should be to Lossiemouth, his love for which never waned.

BOOKS *and the* ARTS

TRADITIONS FOR YOUNG PEOPLE

BY CONSTANCE ROURKE

BARRIERS between reading for adults and for children seem to be breaking down, so that young people may often have the experience of lending books to their elders, who may in turn find with startled interest that a book which they have regarded as fairly complex has been read with understanding by children. In spite of their amazing schedules, their French, their dancing—tap, ballet, classic, expressionistic—their school papers, athletics, clubs, dramatics, their home work and social service, their production of novels, plays, or autobiographies, or their many other sometimes rather militant forms of self-expression, they seem to have a fair amount of time in which to discover some of the things they want to know. They read with greedy enjoyment. They like things because they like them. They are unconcerned, unless someone puts wretched ideas into their heads, as to whether what they are reading is going to promote their careers.

Since they know so much and are so capable and clever and have such enviable freshness and enthusiasm, it might seem that there is nothing we can do for them. Yet there may be a few contributions that members of an older generation can make without warping their initiative or invading their personalities. They can be permitted to share in the current movement toward a discovery of the American past, particularly in its concern with our cultural traditions. In this respect they seem to be missing a substantial enterprise.

Periodically and in sketchy ways we always seem to have been digging away at our somewhat mysterious past, but the present movement has freshness and vigor, engaging both amateur and professional historians. The amateurs may be as important as the professionals. It might puzzle almost any experienced writer to prepare a biography of an individual like Old Dan Tucker, who washed his face in a frying pan and combed his hair with a wagon wheel and about whom only a few similar bits of information are to be had, but it didn't puzzle an aged gentleman whom I met a few years ago. He had just polished off a manuscript some two feet thick, and he had given this a structure by the simple device of moving Old Dan around the country—always late for his supper—from the Eastern Shore to the Rocky Mountains, from Texas to Tennessee and Maine, meeting leading characters of the nation in numbers all along the way. The intervals were filled in by long and lavish descriptions of scenery which the author had enjoyed. He had been a Currier and Ives painter, and I don't think it mattered much to him that his adventure in literature was doomed never to see the light. He had had the amateur's true pleasure in the experiment.

There are dozens of such individuals in out-of-the-way places who rarely break into print, who will write or talk about some section of the American past or the American character as if they were obsessed, and who perhaps prove more as to the warmth and genuineness of this retrospective movement than could be proved by a regiment of practiced biographers and historians.

In quiet ways new ground is continually being broken as to our history, yet we lack knowledge in essential fields. Recently an extraordinarily charming collection of swipes and swatches and patterns of printed cotton was discovered which had belonged to a man who went peddling his wares through one of our great river valleys in the early part of the last century. But this material lacks a frame of reference; our knowledge of early textile design and manufacture is fragmentary in the extreme. We don't know where major designs have come from or where the machines were made from which they were printed, or what was the balance between designs of foreign origin and those created in this country; yet all these facts would have much to say as to American taste and talent in the era when the nation was forming and when industrialism was slowly on the rise.

What has been done during the past two years under the Federal Art Project by the Index of American Design in recording sequences of examples in the useful and decorative arts suggests both the richness of this phase of our inheritance and the slenderness of our knowledge. New and comparatively unknown materials have constantly come to light. New relationships in design have steadily appeared. No pictorial records have existed in this country of full color and dimension such as those which are being created by the Index, showing figureheads, shop signs, toys, puppets, Shaker crafts and crafts of other communes, textiles, stoneware, weather vanes.

Even with the best conditions for completing such a survey a sufficiently large problem will remain—to devise means by which this inheritance may be appropriated. We do not have that strong and natural association with evidences of the past which is still a commonplace in other countries. A small boy in northern France may grow up with many objects about him which reveal native traditions in the arts, offering him a vocabulary which he can learn to use, without a wrench, without study, almost without thought. With us, continuities have been broken by our continual migrations, and what we have actually created has often been scattered to the four winds. If and when publication comes for such materials as those of the Index, no doubt they will be promptly used for definite purposes, such as teaching the arts of design;

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yet they would seem to be far more important as a means by which young people may saturate themselves with a knowledge of forms which have been essential to us in the past, getting a sense of these into their minds and eyes and at the ends of their fingers, without any immediate purpose. The thing would be for them to have easy access to such records at odd hours, and come into a simple and natural possession of the forms revealed there because these are pleasurable and belong to us.

The same kind of instinctive possession could be cultivated in relation to American painting if a genuine program of circulating exhibitions and of subsidizing reproductions were embarked upon—and this could be begun even with our present imperfect and incomplete knowledge of the history of American art. From musical materials brought forward by such students as the Lomaxes, Carl Sandburg, and George Pullen Jackson we are beginning to suspect that folk music has taken a distinctive course in this country; and this could easily be made familiar to young people through a wide use of records—best perhaps to be listened to for no particular purpose, not for school programs, or as subjects for topics, or as backgrounds for social history in some studious way, but merely for enjoyment.

Though money and plenty of it would be required for such undertakings, the principal handicap would seem to be a prevailing philosophy: we haven't believed, educators in particular do not seem to believe, that our cultural inheritance is important. The educational method of beginning with the immediate, the near at hand, is pretty well established, yet it would be considered fantastic to open courses in art with a study of American art or to make this a prerequisite for advanced work, even though it would make a quite tenable and interesting approach to more general art history. In many colleges American literature is offered as a requirement for a teachers' certificate and so remains a dull duty. As a rule the study of the frontier is presented in one of the primary grades, often the fourth. This is an excellent place to begin, not to stop, but most children stop; and usually nothing more is offered on this subject except perhaps in a college elective. Yet it isn't necessary to go the whole way with Turner to see that if we fully understood the development of our many frontiers we should go far toward understanding our contemporary society.

Certainly this is not to urge exaltation of our national history. The unhappy results of this are only too obvious elsewhere. In any event as a people we have been committed to internationalism from the beginning, by innumerable circumstances. To sustain this internationalism in an educational program and at the same time to focus upon our own inheritance is by no means a simple matter; yet we must somehow contrive to know ourselves, without obscuring romanticisms. It is romantic to try to prove that the founding fathers and their successors were utilitarians or materialists or obscurely Marxist or actuated quite simply by an "American dream." The difficulty is that realism cannot be put on like a garment. It is an objective which must be approached with an enormous amount of skill and patience, and probably can be

achieved only when a whole generation or so of young people have become habituated to its disciplines.

This is not to deny them the truly romantic; probably we couldn't if we tried. Nor should they miss the heroic; but they should have these elements without the glossing over of ruder values. The rougher and grosser edges of action and character have been almost habitually smoothed out in the presentation of such folk-heroes as Mike Fink and Davy Crockett, Paul Bunyan and Pecos Bill; and the tales about them have too often been adorned by a pseudo-literary style, though the rustic style which belongs to them is a good style. Revision of estimates downward in later years, whether of people, events, or ideas of social life or artistic achievement, is a rather bad business. The means by which young people can obtain a realistic approach would seem to be the same means by which they can obtain a genuine sense of the past, by discovering materials in pristine forms and at first hand, not in one field, as in economic or political history, but in many fields so that a whole texture becomes apparent. They are far better able to use original sources than is generally supposed. They can often pursue their investigations quite competently in the files of such periodicals as the *Journal of American Folklore* or even the *Publications of the Bureau of Ethnology*, emerging with better folk tales, songs, and Indian stories than they are likely to find in most so-called children's books. One surmises that if the channels are really opened to them there is no determinable limit as to what they may excavate, particularly if we are candid and let them know that nobody knows any too much.

The problem of setting such youthful investigations in motion is large and complex enough to engage the talents of considerable numbers of teachers, librarians, writers, and parents. It is not a question of turning young people loose and telling them to write their own passports. More books are needed—many finely composed anthologies of out of the way materials, many reprints of older books that have become forgotten, of minor books that can open up essential vistas, biographies of local or regional figures which could have much to say about the history or culture of a place or a section. Writers might turn in and write a few much-needed books in their spare time, books with a rich grounding of fact, a fine quality of style, books which might speak only to a local or regional audience for the most part and so wouldn't pay. These are all needed, but the general conviction that books are only one means of reaching the past seems to be needed more. Our education has been and still is almost exclusively literary. We still have a long way to go if the balance is to be redressed, if the many arts which have been intertwined in our culture are to be evoked, and if we are to regard these as essentials in themselves and not merely as "background."

An American room in our libraries, or a group of rooms, might lead to a just proportion, where records of our music could be found at no great distance from records, in another sense, of our sequences in the practical arts, where portfolios of reproductions of our painting, sculpture, and architecture might elbow biographies and histories, novels and poetry belonging to the same places

and periods. At best such a room would branch off in all directions and become something of a museum, showing examples of American primitives, some of our early pottery from the Shenandoah or the Ohio Valley, a Pennsylvania chest or cupboard, Louisiana ironwork, or the decorative arts of the old Spanish Southwest. The country itself might be evoked by photography—its wild life, its varied contours, and its spoiled and eroded areas as well, which tell so full a story.

Such a room may stand as a symbol of those balances and coordinations which we still lack. There is of course no one way of meeting the prodigious circumstance that our national life has been lived too fast for real assimilation or remembrance. Many substitutes may perhaps be devised for this long process. Obviously the arts grow from tradition, slowly, yet we seem to forget that fact in many of our plans for education and in much of our contemporary criticism.

Importance attaches to young people, not because youth is a plastic period, but because it is an unconscious period, when many experiences may flow together without special purpose or thought, and wellsprings of the imagination be formed. If we could open our past to young people in genuine abundance, with its poetry and homeliness, its occasional strange sparseness, its cruelties and dark failures, we might have a great literature and music and art upon us before we know it. We might even be able to devise equitable ways of living. We can at least let them have what we now possess, as fully as possible, with no strings tied.

[The ideas presented in this article were discussed by Miss Rourke in a speech before the American Library Association in June of this year.]

BOOKS

Lowdown by Mr. High

ROOSEVELT—AND THEN? By Stanley High. Harper and Brothers. \$3.

"A ONE-TIME Presidential insider lifts the lid." So reads the blurb on the jacket. But if the reader expects anything new, startling, or sensational he will be disappointed. Mr. High has given us a gossip, eminently readable, often acute, but never profound treatment of the subject accurately indicated by his title. He describes the President, Henry Wallace, Jim Farley, Harry Hopkins, and others mostly in terms of praise, but without adulation and without malice. He gives a rather shrewd appraisal of the present political situation, the latest version of the New Deal, and the "neo-New Dealers"—Maury Maverick and company. Then he makes some prophecies about 1940 but hedges enough so that it will be difficult for history to refute him completely. His philosophy, or at any rate his own standards of judgment, are liberal or progressive, certainly not Marxist, but they permit him to make in telling journalistic fashion what seem to this reviewer rather obvious criticisms of certain Presidential policies and characteristics.

As for the blurb's promise of "inside stuff," this reviewer confesses that he has had no Washington experience to make him an expert judge. He notices, or thinks he notices, some curious slips and more curious omissions. Thus, Mr. High attributes to Messrs. Corcoran and Cohen the authorship of the President's unfortunate Supreme Court plan—which plan and its awkward first presentation are now generally credited to the President's far from distinguished Attorney General. He discusses the new attitude of the Negro to politics, but refers to only one Negro organization, namely, the National Negro Congress. Nowhere does he discuss the direct and indirect influences of socialism and communism upon the present situation. This is the more noteworthy because the Communists are claiming, not very privately, that their conditional support of President Roosevelt and their influence upon both the left wing of the labor movement and the neo-New Dealers are far from negligible.

Still more indicative of a hasty job is Mr. High's complete failure to reckon with the constitutional and legal situation when he discusses the chances for a third party in 1940. Actually three things put an immense barrier in the way of an effective labor party or any kind of a third party in America: (1) the primary laws, which with some show of reason cultivate the hope that the aroused electorate can capture one or the other of the two old parties, at least within a state; (2) laws in forty-eight states that year by year make it harder for a new party to get on the ballot; and (3) the constitutional provision that, to be elected, a Presidential candidate must get a majority in the Electoral College, and if he fails to obtain that majority, that the election must go to the House of Representatives, where each state will have one vote. These three considerations, consciously or subconsciously, are in the minds of all politicians, and go far toward explaining why that new party whose appearance has long been so logical still remains in the realm of conjecture.

As an ardent advocate of a genuine labor or farmer-labor party I do not believe, in spite of all difficulties, that its appearance on a national scale is impossible. I think the present chance of its emerging in 1940, with or without Mr. Roosevelt's leadership, is even less than Mr. High reckons. I am still less sure than he that the alternative to a third party will be a more consistent Democratic Party, reconstructed by Mr. Roosevelt and either led by him again in 1940 or by some crown prince of his appointment. The politicians of the Northern urban machines—yes, and of the Southern democracy—love a winner. And Mr. Roosevelt will long hesitate to drive them into outer darkness. Mr. High is right, I think, in supposing that Mr. Roosevelt may run again unless a successor to him far stronger and more satisfactory than has yet appeared should be with us when the final decision must be made.

But all these predictions about 1940 are insecurely based. They assume what is anything but certain: that we shall keep out of world war and escape, until after the election, another major depression. Neither of these all-important matters does Mr. High discuss. If we escape these disasters I suspect that the future—or at least 1940—is still Mr. Roosevelt's, unless his increasing impatience of democratic processes should lead him to a succession of blunders like the appointment of Justice Black. And why? Because the New Deal in its newer aspects is, for reasons that Mr. High points out, a good political bet as long as the country can and will finance it. It has done much for many different people—some of it very well; but it has done nothing fundamental to change the system. If and when the time comes that the middle class cannot or will not finance a program which

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keeps an unsound system and subsidizes in varying degree its politically articulate victims, then a new crisis will be upon us, a crisis almost as refractory to the genius of Mr. Roosevelt as to the plodding obstinacy of Herbert Hoover. Then we shall face the danger of an American fascism, called by another name, of which Mr. High's amiable and generally optimistic forecast takes no sufficient account—despite the fact that he does recognize that the New Deal, to be successful, must be self-perpetuating. Well, it's an interesting book, and it manages to dispense considerable information in a form likely neither to strain the tired mind nor to raise the blood pressure of the most vehement partisan to the danger point.

NORMAN THOMAS

Broadway, Not New York

IMPERIAL CITY. By Elmer Rice. Coward-McCann. \$3.

THIS is a novel about a very large number of New Yorkers but not, I think, about New York. You will find little that suggests the physical life of the city, little that characterizes New York as opposed to some other great American community. For the vast canvas has been clumsily foreshortened by making the destinies of the characters all interlock; and the sense of free movement has been curtailed by a technique as unnatural as falsetto and as tricky as the footlights on which Mr. Rice has turned his back.

"Imperial City" has its merits, but I had better say right off that I think it altogether fails as serious fiction, since I want to spend the rest of my time trying to show why. Mr. Rice is among the best-known of Broadway playwrights, and though he is far superior to it in his perceptions, Broadway has done him an immense amount of harm. The theater is a dangerous place: you cannot succeed as an artist there if you disdain or disregard its ground rules, if you run counter to its genius; but neither can you succeed as an artist there if you don't spot its tricks for exactly what they are worth, if you don't use them with the utmost caution and sensibility. Over a period of years Mr. Rice has acquired the knack of the theater, has learned how to be sharp and telling, how to pack a wallop; but he has succumbed all the same to the theater's evils: he has let slickness often do the work of artistry, and, most dangerous of all, he has depended too much on his naked intelligence without realizing that intelligence is merely the motive power of art.

All these defects are glaringly visible in "Imperial City." The book is enormously readable; conceptually it is mature; in its social thinking it is admirable. But it is ruined, on the one hand, by a crude and false sensationalism, a doctored approach, which not only destroys credibility but even betrays Mr. Rice into forgetting his purpose; and, on the other hand, by an utter lack of artistic feeling.

As for the sensationalism, before he is through Mr. Rice unpacks the content of a dozen melodramas. Now melodrama, as we all know and as Shakespeare and Dostoevski knew, has its great uses. Moreover, in a book like this one, whose purpose is to reveal the suppurating state of the capitalist order, melodrama can have its symbolic value, as it had in "Europa." In no other way, Mr. Rice may have felt, could he quite convey the vice, the pathology, the corruption he wanted to expose. So far, at any rate, one need not despise his material; but when he unwinds all the slick dodges and shabby tricks of Broadway to keep his melodrama in motion, we cannot even pretend to believe what he is showing us. Nor can he, in the end, remember what he set out to show: social protest is

A REVELATION

of what journalism can never give—the emotion and the reality beneath the surface of great events.

Counter-Attack in Spain

"THE BOOK is alive with people, pictures with quick, sure strokes. It is full of comment on little things and big, so that one seems to move with Sender and see through his eyes the streets, the camps, the houses. . . .

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—Mildred Adams in *The Nation*. \$3.00

BY RAMON J. SENDER



forgotten in the fever of a protracted murder trial; and as a final touch, the book ends as the jury files in with its verdict, leaving a *Lady-or-the-Tiger* question mark instead of a responsible full stop. This, it seems to me, is the essence of meretriciousness as a mode of writing; but it is ten times worse in view of the serious subject matter with which Mr. Rice set out to deal.

But what also makes so much assorted journalism of the book is its artistic insensibility. The word art is a ticklish word and perhaps a priggish word; but it is an inevitable word. Involved in it are matters of style, form, taste, proportion, and judgment which no amount of "experience" and intellectual grasp can ever wholly replace. And except in his dialogue Mr. Rice writes atrociously; his descriptions of people and places have the stilted, tabloid quality of stage directions; his treatment of personal relationships lacks taste; he has no feeling for mood; his pianissimos somehow shriek louder than his brass effects; his people, though often credible, are almost never real. He is quite lacking, I should say, in what the Jamesian school would describe as temperament: nothing seems to come out of his nerves or his senses or his stomach; it all comes straight out of his head. Finally, I don't think his book has any unity of effect. It isn't really the portrait of a great city; it isn't really the expression of a bankrupt society; it isn't, for that matter, the essential Elmer Rice. Which is a pity, for the essential Elmer Rice has something to say.

LOUIS KRONENBERGER

Education by Radio

LISTEN AND LEARN. By Frank Ernest Hill. New York: American Association of Adult Education. \$1.25.

AN EDUCATOR is a man who is so convinced of the value of the product he has to sell that he thinks you ought to be forced to buy it. Any attempt to wheedle or cajole or delight you in the process some way detracts from the puritan dignity of the teaching profession. If you write as clearly as Charles Beard or think as clearly as Bertrand Russell, the educational world becomes suspicious of the depth of your learning. The sad result of the attitude is that educators are becoming increasingly unimportant to education, which is going, by default, to the movies, the newspapers, and the radio.

Frank Ernest Hill tells the story of the most recently muffed opportunity, and it is one of the tragic educational stories of all time. Fifteen years ago the radio was a toy played with by 600,000 overgrown boys and girls trying to get distance. Now it is the chief source of entertainment and information of 33,000,000 men, women, and children. Education had it and tossed it away.

When nobody cared what he listened to, a great many stations were university controlled. Then the broadcasters discovered they could charge for the air, and little by little every good wave length and every popular hour was taken away from education. A few educators like Studebaker got excited and fought for a place in the ether, but what they did, chiefly, was to shout, "There ought to be a law." Luckily they didn't have the political power to enforce their demands, for as certainly as they succeeded in making educational broadcasting compulsory they would have tried to do the same with listening. And the plain fact is that early educational programs were terrible, as either entertainment or teaching. There were, of course, brave exceptions to prove the rule. Good music produced a surprisingly large audience; so did the *March of Time*, the *Cavalcade of America*, and the University

of Chicago Round Table. But in spite of the success of some serious broadcasting, most of what went out over the air was routine classroom stuff that no one bothered to listen to.

What has to be done is fairly clear. Instead of demanding an allotment of time, educators will have to devote themselves to a study of radio art. The development of that art does not involve any loss of prestige, or any unnecessary sugar coating. An idea cannot be conveyed without words. And a radio broadcast cannot be put across without a technique. To encourage the learning of a new technique Hill rightly insists that educational broadcasting be put on a professional basis. At present most such programs do not pay for talent—and appropriately they get exactly what they pay for. A man may give a little time for nothing, for the fun of being on the air. But if he's any good he won't give the hours of preparation necessary to a first-rate air performance unless he receives some cut in the sums paid radio entertainers.

Education by radio needs what all education needs—a lively sense of the media by which ideas and information can be meaningfully conveyed to listeners. The fact that a man ought to know something is no guaranty that he will want to know it. The fact that important material is being broadcast is no guaranty that anyone is listening to it. Mute, inglorious Miltons have no place on the air.

DONALD SLESINGER

FILMS

Before 1917

THE superiority of "The Return of Maxim" (Amkino) to "In the Far East," its predecessor at the Cameo, suggests once more the advantage, where revolution is the theme, of a subject taken from the old days rather than the new. No Russian film dealing with the revolution as an accomplished fact and designed to prove its success has been as interesting as those which have dealt either with the failures before 1917 or with the famous ten days themselves; or with the still doubtful period of the Red and White war. This is not because the revolution is not a success; assuming that it is completely so, the reason is rather that success dampens romance, and the Russian revolutionary film is still trying to be romantic. In another realm of romance we are familiar with the principle involved: courtship, as everybody knows, has it all over married life as material for story. But the principle is not being applied in Russia. "In the Far East" labors heroically to get us excited over an engineering problem on the Manchoukuo border—shall a military road be opened by tunneling under a mountain or by blowing off its top?—and over the circumstance, which did not become plain at least to my untrained eye until after an hour had dragged along, that the exponent of the tunnel theory is a Trotskyist whose only interest is in making the project last two years rather than a few weeks. The subject of the film is in other words a domestic squabble, and as such calls either for comic or for tragic treatment; not, certainly, for the pumped-up drama which we get.

"The Return of Maxim," announced as the second member of a trilogy of which "The Youth of Maxim" was the first, has the great advantage of taking place in 1914. Maxim has still to be married to his vision, which is as bright as ever be-

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cause it is seen where visions are intended to be seen, at a distance. The youth of the earlier film is now a man and an effective revolutionist, but he remains young in his desire, and the cheers of his comrades are an appropriate music within which to move. The film is rousing; and when it is amusing, as in the billiard-table scenes, there is a background of danger and deep purpose to convince us that the spirits of our heroes are really high. "The Return of Maxim" can best be praised in little space by saying that it is as good as "The Youth of Maxim," and that it leads us to expect a third film equally good. In the third film, however, I hope that Maxim, last seen here as a soldier whose private business it is to change the war from an imperial one into a civil one, gets no farther along in time than the year 1917, or at the outside the year of the Red Army's final triumph.

Warner Brothers, keeping briskly apace of the news, have moved their war machinery into China. "West of Shanghai," with Boris Karloff as its semi-humorous war lord, will doubtless be copied by many other films, some of which will be more carefully done but none of which perhaps will quite recapture Mr. Karloff's formula: epigrams alternating with machine-gun fire, and a quaint code of honor writing its rules in blood. "Lancer Spy" (20th Century-Fox) is so old-fashioned as actually to assume that we shall take an interest in World War spies. We in fact do in this case, the story of Michael Bruce (George Sanders) being excellently told in an idiom which reminds the imagination that spies are fated men as well as figures of melodrama.

Two current pieces of foolishness keep alive the immemorial theme of lovers who can express themselves only in the reverse languages of insult and suspicion. In "The Awful Truth" (Columbia) they are Irene Dunne and Cary Grant; in "It's Love I'm After" (Warner Brothers) they are Bette Davis and Leslie Howard. Either can be recommended to those who are watching the rise of a comedy in which wit and slapstick must play equally important roles. I found the two films equally uproarious, the laughter in both of them being as hearty as it was high.

MARK VAN DOREN

DRAMA

Getting the Best of Shakespeare

AT THE Mansfield Theater Tallulah Bankhead and Conway Tearle are appearing in a version of "Antony and Cleopatra." If their secret purpose is to check the growing vogue for Shakespeare on the stage, then they may credit themselves with an impressive effort, for I cannot doubt that a considerable number of uninstructed spectators have already been set to wondering how the Bard managed to get his reputation in the first place. Many a man and many a woman will, I suspect, hesitate long before committing himself again to an evening of Shakespeare.

The achievement is not, to be sure, quite as impressive as it would have been had those concerned chosen instead "Romeo and Juliet" or any one of the other nearly fool-proof plays. "Antony and Cleopatra" does not act itself as even "Hamlet" usually succeeds in doing, for it is, in fact, a difficult play with less surface interest than many of the others and one which, therefore, ought to be played profoundly if it is played at all. The fact nevertheless remains that even

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THE PROGRESSIVE
Dept. N MADISON, WIS.

"Antony and Cleopatra" puts up a good fight, and that Miss Bankhead's victory over the author is not, probably could not be, a single-handed one. Even her obvious inadequacy for this particular role is insufficient to account for Shakespeare's utter rout, and she owes a good deal to the assistance of a production which seems to have employed efficiently all the most elementary devices for getting between the play and its audience.

In saying this I do not want to minimize the star's own shortcomings as a Shakespearean actress. If there is any one way of reading Shakespeare's verse more unsuitable than any other conceivable way it is probably the one Miss Bankhead chooses when she employs the broken rhythms and husky tones of the blues singer. But who except someone helpfully determined not to give the author a fair chance would open the play on a dull scene in Rome instead of opening it as the author did with the comment of the soldiers on the degeneracy of their leader and his reply while embracing the queen?

The nobleness of life
Is to do thus; when such a mutual pair
And such a twain can do't . . .

Those speeches, of course, announce the theme, and by deranging the order the present producers succeed not only in dispiriting the spectators to begin with but also in saving a magnificent passage for a huge spectacular set admirably calculated to distract the attention of the audience from it. Apparently they did not dare eliminate the two speeches, but they have succeeded in rendering them nearly nugatory.

If there is one thing which recent successful productions of Shakespeare have demonstrated it is that he must be played simply—at least until we have learned again how to make the essential things stand out. He disappeared from the stage partly, I am convinced, because producers took the attitude that the public must have something to compensate it for the dullness of plays in which all confidence had been lost, and because they decided that the proper compensation was a smothering profusion of scenery and pageantry. The same works are being discovered again because certain producers have had the sense to realize that the way to demonstrate the enduring interest of the plays is to play them for themselves, and to do that by adding no more spectacle than the performance itself can carry without effort. If Miss Bankhead and the rest of the company were great Shakespearean actors they might successfully compete with the glitter of Cleopatra's gold breastplates and the magnificence of the Egyptian halls through which the whole company wanders. As it is, the properties draw most of the attention and the performances seem, if possible, feebler than they really are. A few more such misguided efforts to play Shakespeare for anything except himself and one may confidently expect a new movement with the slogan "Put the Bard back on the shelf."

"I'd Rather Be Right" (Alvin Theater) is already established as a success beyond the reach of a critic's praise or blame. Probably no show could be as funny as this satire on the New Deal was expected to be, and "I'd Rather Be Right" certainly isn't, even though the whole thing is pleasant enough and not infrequently witty. George M. Cohan is amusing as the President, but his satire is apparently not intended to be deadly, and one trouble with the piece as a whole may be simply that none of the authors felt very strongly about their theme. Another one is that the subject offers too many easy opportunities to put anyone on his mettle, and Mr. Kaufman and Mr. Hart have been wittier when dealing with what seemed to be less promising subjects. There is at least one first-rate song.

JOSEPH WOOD KRUTCH

Children's Books: A Selected List

BY LENA BARKSDALE

PICTURE BOOKS

- The Night Before Christmas.* By Clement Moore. Illustrated by Reginald Birch. Harcourt, Brace. \$1.50. A gay new edition.
- Four and Twenty Blackbirds.* Old nursery rhymes collected by Helen Dean Fish, with irresistible illustrations by Robert Lawson. Stokes. \$1.50. Twenty-four rollicking nursery ballads assembled from obscure sources.
- And to Think That I Saw It on Mulberry Street.* By Dr. Seuss. Vanguard. \$1. Marco imagines a gorgeous parade resplendent with circus animals and police convoy, which is pictured with dash and vigor.
- The Traveling Coat.* By Frances Eliot. Dutton. \$1.50. An embroidered coat made from the hair of Betje the goat, in Hungary, and worn by children all over the world, is finally eaten by Billy the goat in America.
- The Fisherman and His Cat.* By Josephine De Witt. Nelson. \$1.25. Humorous tale of an encounter with a fish.
- The Restless Robin.* By Marjorie Flack. Houghton Mifflin. \$1.50. Adventures of a young robin. Lovely bird pictures.
- Sakimura.* By Zhenya Gay. Viking. \$1.50. A stately Siamese cat, bored with city life, goes to the country to find a friend. Entrancing pictures.
- Humpty: Son of the Sands.* By Hamilton Williamson. Illustrated by Berta and Elmer Hader. Doubleday, Doran. \$1. A small camel sees life on the desert.

STORIES OF FANCY AND FACT

- The Curious Lobster.* By Richard W. Hatch. Illustrated by Marion Freeman Wakefield. Harcourt, Brace. \$2. A lobster's thirst for information sends him exploring on land in the best nonsense story of the year.
- Petite Suzanne.* By Marguerite de Angeli. Doubleday, Doran. \$2. Tale of the Gaspé and a little girl who wanted to paint.
- Red Jungle Boy.* By Elizabeth K. Steen. Harcourt, Brace. \$2. An Indian boy's life in the jungles of South America.
- Each in His Own Way.* By Alice Gall and Fleming Crew. Illustrated by Kurt Wiese. Oxford. \$2. Ten stories of animals each in his way renowned.
- All the Year Round.* By A. J. Grodin. Knopf. \$2. A graphic calendar of the states, showing in pictures and brief text agricultural activities throughout the year.
- Sea-Horse Adventure.* By Irmengarde Eberle. Illustrated by Else Bostlemann. Holiday House. \$2. A young sea-horse explores his undersea world. Scientifically accurate.
- The Wonder World of Ants.* By Wilfred S. Bronson. Harcourt, Brace. \$1.50. Authentic stories of the manners and customs of ants.
- Boy of Old Virginia: Robert E. Lee.* By Helen A. Monsell. Illustrated by C. E. Funk. Bobbs-Merrill. \$1.25. Town life as well as plantation life formed the boyhood background of this great American.
- Chinky, the Banker Pony.* By Sanford Tousey. Doubleday, Doran. \$1. A wild pony patiently trained to harness and tricks by two children.
- A Spaniel of Old Plymouth.* By Margaret S. and Helen L. Johnson. Harcourt, Brace. \$1.75. Adventures of a dog captured by an Indian three hundred years ago.

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On the Banks of Plum Creek. By Laura Ingalls Wilder. Harper. \$2. Pioneer life in Minnesota.
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Gypsy Luck. By Chesley Kahmann. Messner. \$2. Fast-moving story of a gypsy girl and a cream-colored pony.

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- Medieval Days and Ways*. By Gertrude Hartman. Macmillan. \$2.50. Daily life in castle, cottage, and town, describing work and play, travel, art, and science.
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Messenger to the Pharaoh. By De Wolf Morgan. Longmans, Green. \$2. Convincing background of old Egypt; good plot and swift-moving story.
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Stormalong. By Alan Villiers. Scribner. \$1.75. Featuring the boy members of the crew on the cruise of the Joseph Conrad.
Scouting on Mystery Trail. By Leonard K. Smith. Macmillan. \$2. Boy-scout training scores heavily in this good tale of strange adventure.
Footlights Afloat. By Rose Knox. Doubleday, Doran. \$2. Story of a showboat family from authentic material. Amusing and alive.
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FOR HIGH SCHOOL AND BEYOND

- Rivers of America*. By Various Authors. Edited by Constance Lindsay Skinner. Farrar. \$2.50 each. *Kennebec*, by Robert T. Coffin, and *Upper Mississippi*, by Walter Havighurst, have already appeared in a series of books designed to give the true folk history of America.

FOR ALL AGES

- The Birds of America*. By John James Audubon. Macmillan. \$12.50. Five hundred full-page color plates reproducing Audubon's distinguished paintings of birds, with brief notations.

Letters to the Editors

Refuting Mr. Stone

Dear Sirs: In his attack on my pamphlet "Beware of Europe's Wars" in your issue of November 6, I. F. Stone gives many excellent reasons why "1937 is not 1914," and why therefore the possible war slogan "Make the world safe for democracy" may have today "more substance behind it." But I should like to point out one cardinal fallacy in the argument for a positive peace policy to check fascist aggression, as Mr. Stone makes it, and as, with far more ominous portent, President Roosevelt made it in his Chicago speech.

First, however, it should be repeated that a really effective policy of collective security must mean a willingness to go to war. Mr. Stone denies this in passing, but his whole article assumes it. A democratic nation cannot bluff with a fascist dictatorship. Italy, for instance, was ready to declare war on any or all nations imposing sanctions sufficient to defeat it in Ethiopia. In the present world if we want to stop aggressor nations—and that means fascist nations—we must be ready to fight them. The whole argument then comes down to this: would such a war against the fascist powers be any more worth while than the war we got into in 1917?

Mr. Stone admits that we should be defending British imperialist interests, though he bemoans the unwillingness of the British Tories to do their own defending. He admits that the only thoroughgoing anti-fascism is that of Moscow. But in marking the shift from czarism in 1914 to sovietism in 1937 he ignores the parallelism in the shift from Kaiserism in 1914 to Nazism in 1937: that is, the choice between rival imperialisms in 1914 was only a little less meaningless than the choice between rival totalitarianisms in 1937. In taking up the cudgels on behalf of Moscow today we should be defending a collectivist dictatorship that becomes daily more like its arch-foe, fascism.

If, then, we are not interested in a war to defend the British Empire, or a war to defend the Soviet Union, we are left with the original slogan, a war to defend democracy. And that is where the fallacy comes in. Mr. Stone hints at a bombing raid by Italian planes across the Atlantic, and suggests that the barricades of Ma-

drid are defending New York. Mr. Roosevelt is not as blunt, but he likewise repeats the alarmist cries of Wilson's day, that if we don't stop aggression abroad, we'll be the next victim. This is the sheerest fantasy. In the dreamiest passages of "Mein Kampf" Hitler never conceives of a conquest of America. Mussolini's famous remark that fascism is not an article for export was uttered before Hitler came to power, but it remains true, for fascism must be nationalistic. Fascism in Germany is in no sense an Italian product. Fascism in America, if it ever comes, will in no sense be a German product, and to be alarmed over Nazi agents, as Mr. Stone seems to be, is as absurd as the alarm of the D. A. R. over Moscow "agents." To think of Hitler imposing fascism by conquest is even more absurd, and to cite Franco in Spain as proof of the possibility proves nothing. Franco is a Spaniard and a product of Spanish history. Fascism will come to America because and only because of our failure to achieve adequate social change by democratic processes. And probably its best chance would come as a direct result of our participation in a war "to save democracy."

ALFRED M. BINGHAM

New York, November 9

P. S. Just to keep the record straight, Trotsky was not in that sealed train with Lenin!

Brawleyism

Dear Sirs: I have just finished reading, in your issue of October 23, Benjamin Stolberg's review of Benjamin Brawley's latest book, his last I hope, and want to congratulate him for saying some things that we younger Negro critics should have been saying. Our silence is itself indicative of the lower-middle-class tradition that hangs over the Negro community like a fog of poison gas. Only George S. Schuyler has tilted at the problem, and he has been too intent on playing Mencken to treat the question adequately. Another circumstance that militates against sound criticism of this sort is the lack of organs to publish it; our journals are committed to Brawleyism. It is noteworthy that Brawley is head of the department of literature at Howard University, while Sterling

Brown, one of the most significant literary figures of our day works under Brawley at a much lower salary.

The Brawley school of thinking (?) is a reflex of the desperate effort of Negroes to refute the excuses of their oppressors. Negroes were slaves, ran the old refrain, because they were incapable of thinking, doing, learning. Mistaking this apologetic for reason, early Negro writers grasped at every tiny proof that a Negro could be other than a slave. The tragedy is that this naivete has persisted so long; Stolberg is quite right in assigning it to turgid middle-class thinking, complicated by a large dose of Uncle Tom-ism. And finally, this school fits nicely into the smug reformism of "enlightened" Southerners; the University of North Carolina Press gave its blessings to the book.

LOREN MILLER

Los Angeles, Cal., November 8

Heroes and Valets

Dear Sirs: Perhaps Benjamin Stolberg will be chagrined and amazed to be informed that he insulted the intelligence of educated Negroes and hurt the feelings of all colored folk when he sneered at Matthew Henson as the Negro explorer who served as a sort of Arctic valet to Admiral Peary. (See Mr. Stolberg's article, *Minority Jingo*, in *The Nation* of October 23.)

To the Negro group Henson's achievement is almost as great as Peary's. Our poets sing paeans to him. Our artists paint and sculpture him. Now this may be minority jingoism to Mr. Stolberg. But the established facts about Matthew Henson as Admiral Peary's aide are such as to make every American, white and colored, proud of him. Henson was born one year after the ending of the Civil War. He began working for his living when he was ten years old. As a youth he found a place with Lieutenant Peary as general servant and accompanied him on important voyages. On the trip to the North Pole Peary found Henson more indispensable than any of his white companions, especially because of his endurance. And Henson was the only American who arrived at the Pole with Peary. On that historic expedition Matthew Henson was a valet in truth, but his actual work was much more

important. He was cook, hunter, tin-smith, carpenter (he made all the sledges). Also he learned the Eskimo language and acted as interpreter. He kept a diary, later published, which is remarkable for its penetrating observations about the Eskimos. Admiral Peary wrote this of Matthew Henson: "His participation is a distinct credit and a feather in the cap of his race."

The trouble with intellectuals like Mr. Stolberg is that often they become so completely immersed in social theories that they ignore social facts. For example, it is fine old-fashioned rhetoric to name labor leaders as the only leaders of the workers. But many American workers, white and colored, are good churchgoers and also acknowledge their religious leaders. There are other leaders, too. Some Socialist theorists may ignore them. Hard-headed politicians don't.

I am no apologist for the mistakes and omissions in Professor Brawley's books, which are especially aimed at the Negro group mind. But if we Negroes can make a hero of a valet, it may be a salutary thing for us to do so.

CLAUDE MCKAY

New York, November 6

The Source of Power

Dear Sirs: In your issue of October 23, Louis M. Hacker, reviewing the book on the Guggenheim fortune by Harvey O'Connor, writes as follows: "Finance capitalists, in order to salvage hurt industrial enterprises, use not their own personal fortunes but the funds of their depositors and particularly those of the great fiduciary trusts whose savings they control." Mr. Hacker seems to hold the opinion that bankers lend the money which other people leave with them. He wishes us to believe, I gather, that this advantage enjoyed by the bankers is what gives the finance capitalist his enormous power over industry.

Is it possible that a lecturer in economics at Columbia University does not know that if bankers were to lend only the money left with them they would have practically no deposit liabilities; that their financial credit-loans make up most of their deposits? These deposits really represent nothing but two debts—one which the bank owes the depositor as an "account" and one which the depositor owes the bank on a loan which created the deposit. Conversely, if by some miracle all bank loans were repaid, business would have no money with which to carry on, for the simple reason that approximately nine-tenths of it now

comes into existence in the form of a debt and is automatically extinguished when the debt is paid. Such power as this really explains something about who controls our industrial system, and how. If bankers were mere pawnbrokers, their power would be trivial compared with what it actually is.

H. C. DEKKER

Portland, Ore., November 10

"These Scientists"

Dear Sirs: I have read that H. G. Wells created a sensation at the recent annual conference of the British Association for Advancement of Science when he urged a revision of educational standards in England. "General ignorance of the most elementary realities of the world's political and social life," said Mr. Wells, "is accountable for much of the discomfort and menace in our lives."

I have a picture of plain Mr. and Mrs. John Bull sitting before their fireside, nodding their heads appreciatively over this sympathetic approach of a great man, but as they read on, they feel puzzled. Mr. Wells suggests a study period of 2,400 hours, spread over ten years, to prepare students for "modern life," the subjects of the study to include theories of individualism, socialism, communism, and the corporate state. Mr. Bull blows his nose in embarrassment. Wells means well, benevolent old bloke, but isn't he presupposing that English children get better than a primary education?

I would suggest to Mr. Wells that his own "general ignorance of the most elementary realities" of England's educational system should induce him to look at the facts. While in America over 70 per cent of children get a high-school education, in England there are no free high schools for the children of the poor—and this means for the majority of English children. These children go to public elementary school and at fourteen (or at twelve, if they obtain a work certificate) they are taken out of school and put in a trade or a factory. No other provision is made for them. Their training in elementary school is conventional since the step from school to factory requires no special training. Once a year general tests are held in elementary schools for the "free places" in the public high schools, and an average of something like 10 in 300 pass. Headmasters and mistresses in the elementary schools realize that 95 per cent of their pupils won't get better than a primary education, so they try to stimulate them to go on to continuation schools in the evening after

they receive their work certificates. Recently Sir Charles Trevelyan, Minister of the Board of Education, tried to get legislation that would raise the age of leaving school from fourteen to fifteen. The bill was defeated three months after proposal because of its "sheer extravagance" and the "necessity for national economy."

With less than 6 per cent of his children eligible for high school receiving a high-school education, John Bull, reading Mr. Wells, must murmur sadly "These scientists!"

GERTRUDE SAMUELS

New York, October 14

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ROBERT DELL, for many years the correspondent of the Manchester *Guardian* in France, now represents that journal in Geneva.

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CONSTANCE ROURKE, author of "Audubon," "Davy Crockett," and other books relating to American culture, is editor of the Index of American Design.

NORMAN THOMAS is the leader of the left wing of the American Socialist Party. His latest book is "After the New Deal, What?"

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DONALD SLESINGER while a professor at the University of Chicago was a regular member of radio's University of Chicago Round Table.

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INFORMATION FOR SUBSCRIBERS

THE NATION 20 Vesey St., New York. Price 15 cents a copy. By subscription—Domestic: One year \$5; Two years \$8; Three years \$11. Additional Postage per year: Foreign, \$1; Canadian, 50 cents. The Nation is indexed in Reader's Guide to Periodical Literature, Book Review Digest, Dramatic Index, Index to Labor Periodicals, Public Affairs Information Service. Three weeks' notice and the old address as well as the new are required for change of address.

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